

***United States Court of Appeals  
for the  
District of Columbia Circuit***



**TRANSCRIPT OF  
RECORD**



JOINT APPENDIX

---

**United States Court of Appeals**

FOR THE DISTRICT OF COLUMBIA CIRCUIT

---

No. 19,774

---

234

THEODORE J. SCHEVE, ET UX.,

*Appellants,*

v.

RUSSELL LEWIS, ET UX.,  
LUEVONIA L. GAMBRELL and IDA KAY FLOYD,

*Appellees*

---

APPEAL FROM THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

---

United States Court of Appeals  
for the District of Columbia Circuit

FILED DEC 27 1965

*Nathan J. Paulson*  
CLERK





## TABLE OF CONTENTS

Complaint, filed July 28, 1963 .....	1
Answer, filed October 1, 1963 .....	4
Answer to Counterclaim, filed October 20, 1963 .....	7
Pretrial Proceedings, filed July 27, 1964 .....	8
Order, filed April 12, 1965, Sirica, J. ....	15
Motion of the Defendants for a New Trial, etc. ....	16
Points and Authorities in Opposition to Motion for a New Trial, etc., filed May 29, 1965 .....	17
Order, filed June 30, 1965, Sirica, J. ....	18
Findings of Fact and Conclusions of Law, filed September 3, 1965, Sirica, J. ....	19
Order, filed September 3, 1965, Sirica, J. ....	21
Notice of Appeal, filed October 1, 1965 .....	22
Affidavit of Theodore J. Scheve .....	23
Testimony of Russell Lewis	
Direct Examination .....	25
Cross Examination .....	28
Testimony of Ida Kay Floyd	
Direct Examination .....	44
Cross Examination .....	46
Redirect Examination .....	49
Recross Examination .....	49
Testimony of Mabel Lewis	
Direct Examination .....	50
Cross Examination .....	51
Testimony of Luevonja Gambrell	
Direct Examination .....	54
Testimony of Howard Bernstein	
Direct Examination .....	56
Cross Examination .....	59
Further Recross Examination .....	60
Testimony of Alfred Robert Alldridge	
Direct Examination .....	61
Cross Examination .....	77
Redirect Examination .....	81

(ii)

Testimony of Millburn J. Donohue, Jr.	
Direct Examination . . . . .	83
Cross Examination . . . . .	88
Redirect Examination . . . . .	88
Testimony of Theodore J. Scheve	
Direct Examination . . . . .	89
Cross Examination . . . . .	111
Testimony of Edward T. Kehoe	
Direct Examination . . . . .	115
Cross Examination . . . . .	116
Defendants' Exhibit 1, past due notice and receipts . . . . .	118
Defendants' Exhibit 2, Sales Contract dated September 20, 1962 . . . . .	120
Defendants' Exhibit 3, Deed dated September 20, 1962, between Gambrell and Floyd/Scheve et ux . . . . .	122
Defendants' Exhibit 4, Deed dated September 20, 1962, between Lewis et ux/Scheve et ux . . . . .	125
Defendant's Exhibit 5, Lease dated October 1, 1962, between Scheve/Lewis et ux . . . . .	128
Defendants' Exhibit 6, Complaint for Possession of Real Estate, dated November 16, 1962, Scheve v. Lewis . . . . .	132
Defendants' Exhibit 7, Complaint for Possession of Real Estate, dated December 17, 1962, Scheve v. Lewis . . . . .	136
Defendants' Exhibit 8, Writ of Restitution form . . . . .	140
Defendants' Exhibit 9, Record Title Policy Binder, executed November 29, 1962 . . . . .	142
Defendants' Exhibit 10, envelope and contents, Settlement No. 192266 . . . . .	146
Defendants' Exhibit 11, letter of April 30, 1962, Briggs Filtration Company to Russell Lewis, and attachment . . . . .	156
Defendants' Exhibit 12, Receipt dated September 25, 1962 . . . . .	158
Defendants' Exhibit 13, handwritten letter dated October 12, 1962, Stathes to Scheve . . . . .	159
Defendants' Exhibit 14, handwritten receipt 11-2-63 . . . . .	161
Defendants' Exhibit 15, letter of May 20, 1963, John T. Bonner to Theodore J. Scheve . . . . .	162
Defendants' Exhibit 16, Department of Licenses and Inspections Order for Correction dated June 11, 1963 . . . . .	163
Defendants' Exhibit 17, business card bearing handwritten notation . . . . .	176

[Filed July 28, 1963]

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

RUSSELL LEWIS  
1311 T Street, N. W.  
Washington, D. C.

Plaintiff No. 1

and

MABEL LEWIS  
1311 T Street, N. W.  
Washington, D. C.

Plaintiff No. 2

and

LUEVONIA L. GAMBRELL  
637 Quebec Street, N. W.  
Washington, D. C.

Plaintiff No. 3

and

IDA KAY FLOYD  
1414 V Street, N.W., Apt. 406  
Washington, D. C.

Plaintiff No. 4

vs.

Civil Action No. 1417-'63

THEODORE J. SCHEVE  
2521 34th Street, S. E.  
Washington, D. C.

Defendant No. 1

and

GERALDINE E. SCHEVE  
2521 34th Street, S. E.  
Washington, D. C.

Defendant No. 2



**COMPLAINT**  
(For Declaratory Judgment and Other Relief)

**COUNT I.**

The Complaint of plaintiffs herein respectfully shows as follows:

1. That all parties hereto are adult residents of the District of Columbia. The real estate with which this Complaint is concerned is located in the District of Columbia. The acts complained of by plaintiffs occurred in the District of Columbia. This Complaint involves title to real estate located in the District of Columbia or its equivalent value of more than \$10,000.00, plus costs and damages.

2. Prior to October 30, 1962, plaintiffs herein were the legal and equitable owners of certain real estate located within the District of Columbia known as Lot 60 in Square 2824, improved by premises 1348 Shepherd Street, N. W.

3. During the month of October, 1962, defendants by and through their agent or agents falsely represented to plaintiffs herein that defendants would refinance the property mentioned above and, further, presented to plaintiffs documents represented by defendants to be papers needed to effect such refinancing. As a result of said representations plaintiffs were induced to sign certain documents without being given an opportunity to examine or read same.

4. The representations of defendants through their agent or agents were false, misleading and designed to defraud the plaintiffs. As a matter of fact, plaintiffs now learn that the papers they signed were deeds of transfer to the above described property to the defendants. That the property in question is valued at more than \$20,000.00 and was subject to a small trust of approximately \$8,000.00. That by reason of the false and fraudulent representations and the obtaining of plaintiffs' signatures, defendants have now obtained complete legal title to the property involved, for which they paid plaintiffs no money whatsoever or gave plaintiffs consideration of any kind.

WHEREFORE, the premises considered, plaintiffs pray:

1. That the Court grant a declaratory judgment declaring the said real estate to be the sole property of the plaintiffs herein; or, in the alternative, enter a judgment in favor of plaintiffs for the value of the property in the sum of \$20,000.00.

2. That plaintiffs have judgment against the defendants for punitive damages in the sum of \$100,000.00, plus costs.

COUNT II.

1. Plaintiffs incorporate by reference the allegations contained in Count I of this Complaint.

2. Plaintiffs further aver that defendants have been unjustly enriched at the expense of the plaintiffs.

WHEREFORE, plaintiffs demand judgment against defendants in the sum of \$100,000.00 for actual and punitive damages for unjust enrichment.

COUNT III.

1. Plaintiffs incorporate by reference the allegations contained in Counts I and II of this Complaint.

2. Plaintiffs further aver that the defendants were guilty of fraud and deceit practiced upon the plaintiffs by said defendants.

WHEREFORE, plaintiffs demand judgment against defendants in the sum of \$100,000.00 for actual and punitive damages.

/s/ JOHN T. BONNER

/s/ EDWARD T. KEHOE

412 5th Street, N. W.  
Washington 1, D. C.

Attorneys for Plaintiffs

Plaintiffs demand trial by jury of all issues herein.

/s/ JOHN T. BONNER

[Filed October 1, 1963]

### **ANSWER OF DEFENDANTS**

For answer by defendants to plaintiffs' complaint, the defendants state as follows:

#### **FIRST DEFENSE**

The complaint fails to state a cause of action upon which any relief can be granted.

#### **SECOND DEFENSE**

The defendants deny the material allegations of all counts of the complaint.

#### **THIRD DEFENSE**

The complaint is without equity, and to which the defendants claim an equitable defense in that the plaintiffs are wrongdoers,

#### **FOURTH DEFENSE**

The defendants deny the allegations of the complaint are the basis for declaratory relief, in that the acts complained of have already transpired.

#### **FIFTH DEFENSE**

For a fifth defense to all of the allegations of the complaint, the defendants state that the plaintiffs have not alleged, with particularity required of them, any proper allegations of fraud.

#### **SIXTH DEFENSE**

Further answering the complaint defendants state that prior to October 30th, 1962 the legal title to the property was vested in names of Luevonía L. Gambrell and Ida K. Floyd, as joint tenants who held title thereto as straw party for plaintiff Russell Lewis the real and true owner of said property; the said last named plaintiff having placed

said title as aforesaid for the purpose of defeating and defrauding his creditors. Said Luevonias L. Gambrell and Ida K. Floyd having no real or beneficial interest in said property.

The defendants expressly deny the averments of paragraph three of the complaint, but to the contrary state that prior to September 20th, 1962 the property involved was subject to three deeds of trust (1) held by Eastern Building Association (2) S. Thomas Stathes and (3) Kalavritinos Realty Co., all of which deeds of trust were in arrears, and the holder of the second trust had ordered a foreclosure sale of the property which was then running in the newspaper. This defendant says that the plaintiffs were unable to financially pay the payments due on said trusts, and if the sale had taken place, they would be subject to a deficiency judgment under the second trust and a suit for the entire amount of the third trust.

This defendant is informed and therefore avers, that although he had no dealings or contact with the plaintiffs, one, Aldridge had, on to wit: September 20th, 1962 entered into a written contract with the plaintiffs, for his sale of said property to him for the sum of \$8,000.00, of which sum \$50.00 was paid in cash, and the assumption of the existing first trust of approximately \$2,400.00 and the second trust of about \$5,500.00 which was then being foreclosed. The plaintiffs, the defendants are informed and aver, failed to disclose the third trust, and although its existence was known to them, they, by silence, misrepresented the number and amount of encumbrances due on said property. The defendants say, acting in good faith, and being advised that upon the consummation of the said sales contract the plaintiff Lewis, the real owner of the property would become a tenant under a year's lease at a rental of \$125.00 per month, and based upon said arrangements, the contract was assigned to these defendants, and based thereon, and the representations made by the plaintiffs to said Aldridge, who passed the same on to these defendants, these defendants reimbursed the said



Aldredge said \$50.00 in cash and paid to the trustee under the second trust to stop said foreclosure sale the sum of \$752.43.

These defendants deny that at any time the plaintiffs did not know the nature of their act, but at all times well knew the arrangement and agreement, and the defendant deny the plaintiff did not examine or read the same. These defendants say that at the time of the signing of said deed, the property was incapable of being refinanced because of the encumbrances thereon, and also due to the delapidated and run-down condition of the property.

These defendants further state that the plaintiff Lewis thereafter executed the aforesaid year's lease.

Plaintiff Lewis thereafter failed to pay rent due under said lease, and defendants instituted a possessory action against him, and then said plaintiff paid the rent on the first action.

Thereafter plaintiff Lewis again failed to pay rent and on December 17th, 1962 defendants again instituted a similar action upon which defendants received a partial payment, and on April 16, 1963 because of plaintiff's failure to pay defendants evicted plaintiff by process of law.

4. Answering paragraph four defendants deny all allegations thereunder, and state because of its physical condition and the encumbrances thereon the value thereof was worth little over the debts.

#### SEVENTH DEFENSE

Plaintiffs have failed to tender equity or any sums found to be due from them.

#### COUNTERCLAIM.

For a counterclaim by defendants against plaintiffs, they state:

1. On or about October 1st, 1962 plaintiff Lewis executed a lease for said premises at rate of \$125.00 per month, and on April 16th, 1962 was evicted for non-payment of \$275.00 rent.

2. Prior to the eviction plaintiff Lewis agreed with defendants that



that if they paid \$100.00 towards a deposit for another house he would move, but he failed to do so, and failed to return said \$100.00 paid for his account.

3. In addition to the above defendants say they are the holder of plaintiffs' promissory note in sum of \$5,500.00 with interest from November 6th, 1963 which sums are due and unpaid, and in addition there- to plaintiffs have failed to return said \$572.43 advanced as their re- quest and for their benefit.

WHEREFORE premises considered defendants demand judgment plaintiffs in sum of \$6,447.43 with interest from November 6th, 1962 and costs.

/s/ HERMAN MILLER  
Attorney for Defendants

[Certificate of Service, dated September 30th, 1963.]

---

[Filed October 20, 1963]

### ANSWER TO COUNTERCLAIM

The Answer of plaintiffs to the Counterclaim herein shows as fol- lows:

#### FIRST DEFENSE

The Counterclaim fails to state a cause of action upon which re- lief can be granted.

#### SECOND DEFENSE

1. Among the many papers which plaintiffs signed at the impor- tuning of defendants, there may have been an instrument as described in Paragraph 1 of the Counterclaim. Further answering Paragraph 1, plaintiffs admit they were evicted from the premises 1348 Shepherd St., N. W., Washington, D. C., but deny being indebted to the defendants in the sum of \$275 for rent.

2. Plaintiffs deny the allegations of Paragraph 2.

3. Plaintiffs have no information as to the truth or falsity of the allegation that defendants hold plaintiffs' promissory note in the sum of \$5,500.00. However, since defendants have managed through fraud to acquire all the other real property of plaintiffs, it is reasonable to assume that they have in some manner also acquired a note as mentioned in Paragraph 3 of the Counterclaim.

WHEREFORE, having fully answered, plaintiffs pray that the Counterclaim be dismissed, with costs against defendants.

/s/ John T. Bonner

/s/ Edward T. Kehoe  
Attorneys for Plaintiffs

[Certificate of Service, dated October 18, 1963.]

---

[Filed July 27, 1964]

#### PRETRIAL PROCEEDINGS

Complaint for declaratory judgment as to title to realty and/or for damages for fraud and deceit;

#### UNDISPUTED FACTS:

Prior to July 19, 1954, P. Russell Lewis, as surviving joint tenant, was the record owner of premises 1348 Shepherd Street, N.W., in the District of Columbia. On said date he deeded the property to Plaintiffs Luevonía L. Gambrell and Ida Kay Floyd, who were the record title owners of said property prior to September 20, 1962.

Plaintiff Mabel Lewis is the present wife of Russell Lewis, whom he married sometime prior to September 20, 1962.

As of September 20, 1962, there were three existing deeds of trust on the realty:

First — To secure Eastern Building Association, in the original amount of \$7,500, dated about 1950.

Second — To secure Consolidated Properties, in the amount of \$5,500, also dated about 1950.

Third — To secure Kalavritinos Realty Company, in the amount of \$1,000, also dated about 1950.

On or about August 2nd, 1962 P. Russell Lewis was notified that unless the second trust payments were brought up to date legal proceedings would be taken. A foreclosure sale was advertised for sometime in September.

Under date of September 20, 1962 all of the Plaintiffs signed a contract to sell to one Robert Alldridge the realty in issue, for the sum of \$8,000, payable \$50 cash, purchaser to assume a first trust of approximately \$2,400, and the purchasers to also assume a second trust in the amount of \$5,500. The contract of sale further provided that Russell Lewis was to remain as tenant of the purchaser "as per lease".

Under date of October 1, 1962 Plaintiffs Russell Lewis and Mable Lewis executed a lease of said premises for a period of one year, commencing October 1, 1962, for rent of \$1,500, payable \$125 per month.

Under date of September 20, 1962, Luevonía L. Gambrell and Ida K. Floyd, joint tenants, executed a deed conveying the property to Theodore J. Scheve and wife. On the same date Russell Lewis and wife Mabel Lewis (Mable) also executed a quit-claim deed to Defendants Scheve of their interest in the property.

On February 14, 1963, Defendant Theodore J. Scheve obtained a judgment for possession of the realty against Plaintiffs Russell and Mabel Lewis, who were still in possession of the premises, in the D. C. Court of General Sessions (No. L&T 91583-62). A writ of execution was executed on April 16, 1963.

Defendants Scheve have remained in possession of the premises since April 16, 1963. None of the Plaintiffs have made any payments on any of the trusts secured on the realty since sometime prior to September 20, 1962. All of said trusts were in default prior to August 2, 1962.

---

PLAINTIFFS assert that Plaintiffs Lewis were the equitable owners of premises 1348 Shepherd Street, N.W., D.C., and that Plaintiffs Gambrell and Floyd were the record title owners; that the property was worth approximately \$20,000, and was subject to trusts in the approximate amount of \$8,000;

That during October, 1962, Defendants, by and through their agent, Robert Alldridge, approached Plaintiffs and offered to refinance the real estate; that said agent presented to Plaintiffs certain documents which he represented to be necessary to effect such refinancing; that Plaintiffs were importuned by him to sign a number of documents without being given an opportunity to examine or read said documents, and their signatures were procured solely upon the representation that the documents were necessary for the refinancing;

That the representations made by Defendant's agent Aldridge were false, fraudulent and misleading, and were designed to defraud the Plaintiffs, and were relied upon by Plaintiffs;

That by reason of false representations, Defendants have now obtained legal title to the property, for which they paid Plaintiffs no money whatsoever and gave Plaintiffs no consideration of any kind.

Plaintiffs asks judgment:

- (1) Declaring the real estate to be the sole property of Plaintiffs; or, alternatively, that they be awarded a judgment for the value of the property, in the sum of \$20,000.
- (2) Punitive damages in the amount of \$100,000 against Defendants for the false representations made by Defendants and fraud and deceit practiced by them upon the Plaintiffs.
- (3) Actual and punitive damages in the amount of \$100,000 for unjust enrichment.

DEFENDANTS deny that Plaintiffs are entitled to any relief prayed. They deny all allegations of false representations, unjust enrichment, and fraud or deceit.

Defendants assert that prior to September 20, 1962 the property was subject to the three deeds of trust enumerated under "UNDISPUTED FACTS"; that the holder of the second trust had ordered a foreclosure sale, which was advertised; that none of the Plaintiffs were able to make any payments on any of the trusts, and if the sale had taken place, it would have resulted in Plaintiffs' losing the property, and the makers of the notes would have been subject to a deficiency under the second trust and a judgment for the entire sum of the third trust; that Alldridge, who Defendants deny was their agent, entered into a written contract with Plaintiffs on or about September 20, 1962, for the sale of the property to him for \$8,000, \$50 to be paid in cash and the purchaser to assume the first and second trusts; that the purchaser was required to pay in cash such sums as were necessary to make the second trust current, as well as all foreclosure costs; that Defendants did not disclose the existence of the third trust, although they knew of it, and by their silence misrepresented the number of trusts on the property, as well as the total amount of indebtedness against it.

Defendants assert that the contract of purchase was assigned to them by Alldridge; that the purchase was completed by them September 20, 1962; that the purchase was consummated without a title search because of the pending foreclosure sale; that Defendants did not learn until after September 20, 1962, of the existing third trust;

That at the time of the consummation of the purchase, Defendants reimbursed Alldridge the \$50 cash payment on account of the purchase price and paid to the trustees under the second trust the sum of \$752.43, the arrears of the second trust and expenses of the advertised foreclosure sale.

Defendants assert that Plaintiffs knew the nature of the transaction, fully examined the documents signed by them, and agreed to the transaction; that the property was incapable of being refinanced because it was then loaded with all of the encumbrances it could carry and, in

addition, was dilapidated and in a rundown condition, requiring many repairs;

That thereafter, under date of Oct. 1, 1962, Plaintiffs Russell Lewis and Mabel Lewis executed the lease of the premises, and remained in possession of the premises under said lease until evicted for nonpayment of rent.

Defendants assert that Plaintiffs had little equity in the property because of the encumbrances and condition of the property; that the total value of the property was not in excess of \$13,500.

Defendants deny that Plaintiffs are entitled to any relief (1) on the basis of the facts, (2) under the doctrine of unclean hands, Plaintiffs having concealed the total indebtedness on the property at the time of sale, and (3) Plaintiffs having failed to tender any sums which are, or may be, found to be due on account of the refinancing alleged by them.

Defendants state that they have invested in the property the following amounts:

Paid to Alldridge in reimbursement of cash down payment on purchase		\$ 50.00
Arrears of second trust and foreclosure costs paid at time of purchase		752.43
Acquisition of second trust note		5,192.54
Acquisition of third trust note		1,350.00
Payments on account of first trust note		2,875.53
Paid to Plaintiff Russell Lewis:		
To secure new home on eviction —	100.00	
To move	<u>25.00</u>	125.00
Repairs to premises		<u>          </u>
Total . . . . .		\$10,345.50



**COUNTERCLAIM: Defendants Scheve v. Defendants Lewis:**

Defendants Scheve counterclaim against Defendants for rent due under the lease dated October 1, 1962, plus the \$125 advanced to Russell Lewis at the time of his eviction for the purpose of securing other quarters and moving.

Defendants assert that total rent due under said lease was:

Rent paid by Plaintiffs Lewis —	\$1,500.00 <u>625.00</u>
Balance due —	875.00
Advances to Plaintiff Russell Lewis	<u>125.00</u>
Total	\$1,000.00

Defendants assert that they were unable to rent the premises to another tenant until on or about November 1963.

Defendants ask judgment against Plaintiffs Lewis in the amount of \$1,000 with interest from October 1, 1963.

**ANSWER TO COUNTERCLAIM:**

Defendants Lewis deny that they knowingly executed a lease of the premises, deny they are indebted to Defendants Scheve in any amount, and reassert the facts alleged with respect to the principal complaint.

**STIPULATIONS:**

Facts under "UNDISPUTED FACTS".

It is stipulated that the following may be admitted without formal proof of authenticity, subject to all other objections:

**Defendants PreTrial Exhibits**

No. 1 - Sales contract dated 9/20/62

No. 2 - Notice of overdue payments on 2d trust,  
dated 8/2/62

No. 3 - Receipt of Paron, Trustee, dated 9/25/62

No. 4 - Deed dated 9/20/62 from Gambrell and  
Floyd to Scheves

Records of D. C. Court of General Sessions (L & T)

No. 5 - Deed dated 9/20/62 from Lewis and wife to  
Defendants

No. 6 - Lease dated Oct. 1, 1962, signed by Plaintiffs  
Lewis

No. 7 - Record Title Policy Binder, Realty Title  
Ins. Co., Applic. No. 77922.

No stipulations are made with reference to documents identified  
as Defendants' Pretrial Exhibits 8 and 9.

Counsel for plaintiffs states that the only witnesses now know to  
him are:

The Plaintiffs

Robert Alldridge (address to be furnished by Defendants)

Counsel for Defendants states that the only additional witnesses  
now known to him are:

Defendant Theodore Scheve

Realty Title Ins. Co. representative — Richard M. Alonzo

Frank Paroni, District Title Ins. Co.

P. T. Stathes, 10605 Connecticut Ave., Kensington, Md.

Kalavritinos Investments, Inc. (James or Louis Kalavritinos)  
1004 Vermont Ave., N. W.

Thomas F. Harrison and -Eastern Bldg. Assn.,  
4th & Pa. Ave., SE.

Herman Schwertner

Counsel agree to inform each other of the names and addresses of  
any additional witnesses of whom they may learn prior to trial, prompt-  
ly and prior to trial.



The Examiner has requested counsel to come to the trial with the maximum authority to settle the case which will be allowed them by their principals.

**Trial attorneys: For Plaintiffs — John T. Bonner**

**For Defendants - Herman Miller**

**/s/ ELIZABETH BUNTEN**  
**Assitant Pretrial Examiner**

**Attorneys:**

**/s/ JOHN T. BONNER, For Plaintiffs**

**/s/ HERMAN MILLER, For Defendants**

[Filed April 12, 1965]

## ORDER

The Court having heard the evidence in the above-entitled action, tried without a jury, and the Court having considered the memoranda of both parties in support of their respective positions, now, therefore, it is by the Court this 12th day of April, 1965,

**ORDERED:**

(1) That a declaratory judgment be entered declaring the real estate in question to be the sole property of the plaintiffs herein, and that

(2) Judgment shall be entered for defendants on their counter-claim in the amount of \$752.43.

Counsel shall prepare an appropriate judgment, supported by findings of fact and conclusions of law, with citations to the transcript of record to substantiate said findings and conclusions, within ten days from the entry of this order.

**/s/ JOHN J. SIRICA**

**United States District Judge**

**MOTION OF THE DEFENDANTS FOR A NEW TRIAL, RE-  
HEARING, TO TAKE ADDITIONAL TESTIMONY, TO AMEND  
THE JUDGMENT AND TO WITHDRAW THE ORDER ENTERED  
HEREIN OR STAY THE SAME**

Come now the defendants, by their attorney, and move the Court for a new trial, rehearing, to take additional testimony, to amend the judgment and to withdraw the order entered herein on April 12, 1965, or stay the same and as reasons therefor states as follows:

It is most respectfully submitted that the Court permit an oral hearing in connection with this motion.

While it is true that the Court at the outset before any testimony was taken informed counsel for the respective parties that in connection with the findings of fact and conclusions of law the same be supported by citations to the record to substantiate the same and has so ordered in the order of April 12th that the same be done within ten days, it appears to the defendants that the plaintiffs have prevailed in this case and being the prevailing parties such obligations should be upon them. If counsel for defendants remembers counsel for plaintiffs mentioned the fact that his clients would be unable to order a transcript and in such event if this motion or parts hereof is not granted the defendants may be prejudiced with connection with an appeal.

The order of the Court in effect is a rescission, and under the points and authorities attached hereto we believe that it is in the best interest of all parties that since in connection with such theory that the plaintiffs should make tender of all sums found to be due to the defendants, upon an accounting, we request the Court to order such accounting.

The defendants refer to the memorandum heretofore filed by them as part of this motion.

For such other and further relief as will be presented to the Court on the hearing of this motion.

Herman Miller  
Attorney for the Defendants

[Certificate of Service]

---

[Filed May 29, 1965]

**POINTS AND AUTHORITIES IN OPPOSITION TO MOTION OF DEFENDANTS FOR A NEW TRIAL, RE-HEARING, TO TAKE TESTIMONY, TO AMEND THE JUDGMENT AND TO WITHDRAW THE ORDER ENTERED HEREIN, OR TO STAY THE SAME.**

Plaintiffs agree with the view expressed by counsel for defendants that the Order granting plaintiffs a declaratory judgment is a final order and as such is entitled to enforcement at this time. It may be remembered that the declaratory judgment is based on the well proven fraud practiced by defendants against the plaintiffs and it is amply supported by the evidence adduced at the trial herein.

It is also true that the plaintiffs find themselves in such financial straits that they are unable to pay the costs of having the court reporter prepare a transcript of the testimony, having been advised that the said costs would amount to approximately \$400 or more. It is respectfully urged, however, that plaintiffs, having been viciously defrauded of their property by the defendants and having obviously proved that fact to the satisfaction of the trial court, should not be penalized by reason of their present inability to pay the costs of a reporter's transcript.

The judgment on the counterclaim awarded to the defendants in the sum of \$752.43 can easily be paid to defendants if and when title to the property in question is properly lodged in the plaintiffs. Again, how-

ever, we must consider a situation where lack of funds should not prevent plaintiffs from redress after having proved a fraud as they did in this case. Bearing in mind the value of the property, ranging in the area of \$13,000, it would not seem equitable to deny plaintiffs relief because they are unable to raise the sum of \$752.43 in cash to offer at this time to the defendants.

It is respectfully submitted to the Court that a more equitable arrangement could be had by the appointment of a receiver for the purpose of selling the property. The receiver could then pay to the defendants the sum of their judgment, to wit, \$752.43, and pay to the plaintiffs the amount received from the sale over and above the other expenses. In considering such other expenses, it is well to point out that the alleged third trust of \$1,000 which defendants were never able to prove or exhibit should not be a part of the reasonable expenses.

Respectfully submitted,

/s/ John T. Bonner  
Attorney for Plaintiffs

[Certificate of Service, dated May 28, 1965.]

---

[Filed June 30, 1965]

#### ORDER

Upon consideration of defendants' Motion for a New Trial, Re-hearing, to Take Additional Testimony, to Amend the Judgment and to Withdraw the Order Entered Herein or Stay the Same, with Points and Authorities filed in support thereof; and together with plaintiffs' Points and Authorities in Opposition thereto; and, further, in consideration of the arguments adduced in open court, it is by the Court this 30 day of June, 1965,

ORDERED, ADJUDGED and DECREED: That the said Motion by the defendants be and the same is hereby denied; and,

IT IS FURTHER ORDERED: That the plaintiffs shall prepare and file with this Court on or before July 6, 1965, an appropriate judgment, supported by Findings of Fact and Conclusions of Law in support of the Order of this Court dated April 12, 1965.

John J. Sirica  
JUDGE

[Certificate of Service, dated June 30, 1965.]

---

[Filed September 3, 1965]

#### FINDINGS OF FACT AND CONCLUSIONS OF LAW

This cause came on for trial on the 16th day of March, 1965, and was concluded on the 18th day of March, 1965. The Court, having heard the evidence, finds the facts and states the conclusions of law as follows:

#### FINDINGS OF FACT

1. In October, 1950, plaintiff Russell Lewis and his then wife, who is now deceased, purchased the real estate at 1348 Shepherd Street, N. W., Washington, D. C., for the sum of approximately \$14,950.00.

2. Subsequent to October, 1950, but prior to July 22, 1957, the wife of Russell Lewis passed away and he married Mabel Lewis, co-plaintiff herein.

3. On or about July 22, 1957, plaintiffs Russell and Mabel Lewis borrowed \$600.00 from plaintiffs Luevonía L. Gambrell and Ida Kay Floyd, sisters of plaintiff Russell Lewis, and deeded the legal title to the property to them as security for the payment of the debt.

4. On or about September 20, 1962, there were two trusts on the said property: a first trust with a balance of \$2,850.00; and a second trust with a balance of \$5,324.00. There was also a third trust in the sum of \$1,000.00, dated about 1950, to secure Kalavritinos Realty Com-

pany. No payment had ever been made on that trust nor had any demand ever been made by the holder for payment.

5. Prior to September 20, 1962, due to default in payment on the second trust, the property was offered for sale by the trustees. On or about September 20, 1962, one Robert Allridge approached the plaintiffs and proposed they authorize him to have the property refinanced. Said Allridge had the plaintiffs meet him at the office of Realty Title Company and had them sign papers which he claimed to be necessary for the refinancing of the property. The papers signed were, however, deeds transferring the property. At the time of said meeting at the Realty Title Company, Robert Allridge was known to the officials of said title company as being an associate of defendant, Theodore Scheve, in various real estate transactions. During all of the negotiations Allridge was acting as the agent of Scheve. At the time of the transfer, the real estate in question was valued at approximately \$13,500.00. At the time of signing of all deeds, plaintiff Russell Lewis was a functional illiterate and was not able to read or understand the papers he signed. At the same time and place, none of the plaintiffs was given the opportunity to see, read, or understand the papers and deeds which were signed by them due to the importuning of Robert Allridge.

6. Plaintiffs received no money for the transfer of the property. The deeds signed by the plaintiffs were in blank as to the name of the purchaser. No title search was made of the property. Immediately following the signing of the deeds, the names of defendants Theodore J. Scheve and Geraldine E. Scheve were inserted in the deeds as purchasers. Neither defendant paid any monies to Robert Allridge for this transfer or for the costs of preparing and executing the deeds.

7. In March 1963, defendant Theodore J. Scheve and the said Robert Allridge incorporated the Jaffar Mortgage and Investment Corporation which Allridge was given a share of the corporation but had no money invested in it.



8. Defendant Theodore J. Scheve advanced the sum of \$752.43 in order to stay the foreclosure of the property in October, 1962.

#### CONCLUSIONS OF LAW

1. That the defendants Theodore J. Scheve and Geraldine E. Scheve acquired premises 1348 Shepherd Street, N. W., Washington, D. C., by virtue of the fraud and misrepresentations of the said Robert Allridge who, at that time, was acting as agent for and on behalf of the defendants.

2. No consideration was given by defendants to plaintiffs for the transfer of the property.

3. That the defendants have been unjustly enriched at the expense of plaintiffs in the sum of approximately \$5,326.00, less \$752.43.

4. The plaintiffs are entitled to recover the property.

5. The defendants are entitled to be repaid the amount of money which they advanced to prevent the foreclosure, to wit, \$752.43.

/s/ JOHN J. SIRICA

United States District Judge

[Filed September 3, 1965]

#### ORDER

The Court having heard the evidence in the above-entitled action, tried without a jury, and the Court having considered the memoranda of both parties in support of their respective positions, together with the argument of counsel thereon, now, therefore, it is by the Court this 3rd day of September, 1965,

#### ADJUDGED, ORDERED AND DECREED:

1. That plaintiffs be and they are hereby awarded a declaratory judgment declaring Lot 60, Square 2824, improved by premises 1348

Shepherd Street, N. W., Washington, D. C. to be the sole property of the plaintiffs herein, and that

2. Defendants be and they are hereby awarded judgment in the sum of \$752.43 on their counterclaim.

3. All parties are directed to comply with the terms of this judgment within thirty days of this date.

/s/ JOHN J. SIRICA  
United States District Judge

---

[Filed October 1, 1965]

#### NOTICE OF APPEAL

Notice is hereby given this 1st day of October, 1965, that Theodore J. Scheve and Gerladine E. Scheve hereby appeals to the United States Court of Appeals for the District of Columbia from the judgment of this Court entered on the 3rd day of September, 1965 in favor of Russell Lewis, Mabel Lewis, Luevonja L. Gambrell and Ida K. Floyd against said Theodore J. Scheve and Geraldine E. Scheve.

/s/ Herman Miller  
Attorney for Defendants

[Certificate of Service, dated October 1, 1965.]

---



**AFFIDAVIT**

**DISTRICT OF COLUMBIA, ss:**

Theodore J. Scheve, first being duly sworn on oath deposes and says that he is one of the defendants herein and he makes this affidavit on his own personal knowledge.

This deponent states that in connection with the preservation of the premises 1348 Shepard Street, N. W., during the pendency of this action and since its trial in order to protect and prevent the Eastern Building Association, the holder of the First Deed of Trust, from foreclosing because of the non-payment of monthly installments, this deponent states that he paid to said building association to and including August 11, 1965, \$2,379.00; that in order to prevent the holder of the Second Trust from foreclosing said property, namely Consolidated Properties, Inc., he paid to said holder of the Second Trust the monthly installments to and including August 8, 1965, the sum of \$2,047.43 which includes the original \$752.43 necessary to stop foreclosure sale.

In addition to the above payments in order to further preserve the property and protect it against loss from fire this deponent for maintenance, repairs, payment of insurance premium, water bill and trash removal expended the additional sum of \$4,278.61 making a total expenditure of approximately \$8,705.04. This deponent states that to and including August of 1965 he collected rents from said premises in the sum of \$3,766.00 leaving the approximate sum of \$4,939.04 advanced by this defendant to preserve said property on which sum this defendant claims interest in the sum of \$406.41 making a total due to this defendant of advances made by him in the sum of \$5,345.45.

This deponent further states that when he took over the property the First Trust balance was the sum of \$2,850.53 and the present bal-

ance is approximately \$1,065.92 making a gain in equity in the sum of \$1,784.61.

This deponent further states that when he took over the property the Second Trust balance was the sum of \$5,324.88 and the present balance is approximately \$4,764.63 making a gain in equity of approximately \$560.25.

This deponent further says that nothing has been paid on account of the Third Deed of Trust, which is a lien against the property in the original sum of \$1,000.00 held by Kalavritinos Investments. This deponent further states that the total indebtedness of the First and Second Trusts on said property is presently approximately \$5,830.55; the principal and interest due on the Third Trust on said property is approximately \$1,960.00 and a total indebtedness on said property is presently approximately \$13,022.40.

This deponent further states that in order to continue to preserve the property reoccurring expenses for repairs will be required and the regular reoccurring monthly installments of \$70.00 on the First Trust and \$35.00 on the Second Trust must be paid and which this deponent has been paying and for which the Court has not given him any credit.

Theodore J. Scheve

Subscribed and sworn to before me this \_\_\_\_ day of August, 1965.

/s/ Illegible Signature  
Notary Public, D. C.

[Certificate of Service, dated August 23, 1965]

---

**EXCERPTS FROM PROCEEDINGS**

(March 16, 1965)

**RUSSELL LEWIS**

**DIRECT EXAMINATION**

\* \* \*

**BY MR. BONNER:**

\* \* \*

[4] Q. And how old are you, sir? A. Forty-nine years old.

Q. And how long have you lived in the Washington area, in the Washington, D. C. area? A. I come here in 1943.

Q. After you came to work here, did you get a job?

\* \* \*

A. Briggs Filtration Company out in Maryland.

Q. And how long did you work for Briggs? A. I worked for them 20 years.

\* \* \*

THE COURT: Did you buy a home in 1950?

THE WITNESS: Yes, sir.

\* \* \*

[5] A. 1348 Shepherd Street, Northwest.

\* \* \*

Q. I believe your first wife passed away; is that true? A. Yes, sir.

\* \* \*

A. In 1954.

\* \* \*

Q. And to whom are you married now? A. I am married to Mabel Brown Lewis.

Q. When you purchased this house on Shepherd Street how much did you pay for it at that time? A. \$13,500.

Q. Do you remember how much of a down payment you made? A.

Well, I put a thousand dollars down and a hundred dollars settlement fee.

\* \* \*

[6] A. I had two trusts to pay, the first and second trust.

Q. And how much was the first trust at that time? A. I don't remember.

Q. Do you remember how much the second trust was? A. No, sir, I don't remember either one.

Q. Did you put a third trust on there in the sum of a thousand dollars? A. Not to my knowledge, no, sir.

\* \* \*

[7] Q. Did there come a time in 1962 when you became late in paying the mortgage payments? A. Yes, sir.

\* \* \*

Q. Did the holders of the second trust tell you that you [8] were behind in your payments? A. Oh, yes. I had it all in one trust to protect both of them in 1962. I paid one that took care of both of them.

\* \* \*

Q. This property was advertised for sale, was it not? A. Yes, sir.

Q. After the advertisement appeared in the paper did you or did you not receive a telephone call from different real estate people? A. Yes, sir. I got several calls from them.

[10] Q. No, sir. Have you ever met a man by the name of All-dridge?

\* \* \*

A. He called me one afternoon and said that he wanted to help me out with my house, save my house for me.

\* \* \*

[13] A. I got a notice from him to come to K Street and sign some papers and to bring my sisters with me.

\* \* \*

A. Ida Kay Floyd and Luevonía L. Gambrell.

Q. What was their position, what was their interest in this particular house?

\* \* \*

A. They lent me \$600.00 around in '59, some time in there. They lent me the money to take care of bills.

\* \* \*

A. Well, I had the title put in their names. And I told [14] them they could keep the title until I paid the money back.

\* \* \*

Q. Did there come a time when the four of you went to an address on K Street? A. Yes, sir, that was the time.

Q. When you got to K Street, whom did you meet there? A. I met Mr. Alldridge.

Q. Anybody else? A. Another fellow came in there later on. He came in there while we were there and I don't know who he were.

\* \* \*

Q. When you got to K Street were you shown any papers or did you sign any papers? A. Sure, we signed some papers.

\* \* \*

[15] A. Well, he had all the papers there on the desk and he told my sisters to sign them first and they did. And then me and my wife got up and signed the papers. And he had all the papers there and all the copies and we signed the papers. And after we signed the papers my sisters left. He told me he was through with them.

\* \* \*

[16] Q. Did he or did he not do anything to obscure the papers before you signed them? A. No, sir.

\* \* \*

[18] Q. Did you later receive a note and telephone call from anybody about the property? A. From Mr. Scheve.

Q. Now, at that time did you know Mr. Scheve? A. No, sir.

Q. Will you tell the Court, as well as you can, that telephone conversation? A. Well, he called me up and asked me, did I get a letter from him? And I told him, Yes, sir. And he said, Well, I am the new owner of the place.

\* \* \*

[19] Q. Did there come a time when you were evicted from your house? Did there come a time when you left your house? A. Yes, sir. When he set me out.

Q. Who set you out? A. The Marshal did.

\* \* \*

[20] Q. Did you pay Mr. Scheve any rent for the month of December of 1962? A. I imagine I did. I still stayed there until he put me out.

MR. BONNER: Your Honor, may I have the Clerk mark these 4 receipts as Plaintiff's 1-A, 1-B, 1-C, and 1-D?

\* \* \*

(The documents referred to were marked Plaintiff Exhibits 1, 1-A, 1-B and 1-C respectively for identification.)

\* \* \*

[23]

#### CROSS EXAMINATION

BY MR. MILLER:

Q. Now, Mr. Lewis, you say you worked for the Briggs Refrigeration Company? A. The Briggs Filtration.

\* \* \*

Q. And you worked there for 20 years? [24] A. Yes, sir.

\* \* \*

A. I was the foreman there at night.

\* \* \*

Q. And how many people worked under you? How many were there under your supervision? A. I would say about 30.

\* \* \*

[25] Q. Did you keep any records to show what they did? A. Yes, to give the boss every morning.

Q. Did these records include a manifest as to material parts that you would use there and what you would need to work on? Like screws and bolts and things of that type? A. Yes, sir.

Q. Now, when you left them in the latter part of '62 or early part of '63, where did you go to work then? A. I didn't do nothing for 3 or 4 months. I stayed around home and when I did start to work I worked for the Mitchell Construction Company on the House Office Building.

\* \* \*

[26] Q. So you were unemployed from some time in December of 1962 and of January, 1963, February of '63 and March of '63? A. Yes.

\* \* \*

[28] Q. But you don't know who you bought the property from? A. No, sir.

\* \* \*

Q. Did you go to a title company to make a settlement? A. Yes, sir.

\* \* \*

[29] Q. She is the one who made the arrangements for your buying your house? A. Yes, sir.

Q. You say you paid 14,500 or 13,500? A. I would say it was 13,000.

Q. 13,500? A. Yes, sir.

\* \* \*

[30] Q. I will show you the file here and ask you whether or not with respect to a paper entitled, Answers to Interrogatories, filed October 14, 1963, whether your name is the first name signed? A. Sure. That is my name.

\* \* \*

Q. Now, look at this paper which consists of one page and tell me if your name is signed there? Did you read those answers? A. No, sir.

\* \* \*



[31] Q. Now, this says you wrote this and signed your name and swore to it on the 10th day of October, 1963 in the presence of a person by the name of Becker, a Notary Public?

\* \* \*

Q. Did you appear before a Notary? A. No, sir.

Q. Do you know how your name got on there? A. I had to put it there because that is my handwriting.

Q. I know, but who asked you to put your name on there? A. I don't know.

\* \* \*

Q. And in Government's No. 5, do you remember whether or not anybody asked you, when you signed this paper, what was the price of the property? Do you remember anybody asking you that? A. No, sir.

Q. Do you remember stating that the price that you paid for it was \$14,950?

\* \* \*

[32] MR. MILLER: I am reading. We believe it to have been \$14,950.

\* \* \*

Q. Do you remember stating that? A. No, sir.

Q. In answer to Question 6, do you remember being asked when you signed this, What was the cash down payment? A. They told me \$1,000.

Q. Do you remember someone asking you when you signed this paper? A. No, sir.

Q. And was it \$1,000? That was correct? A. This is what I paid down on it.

\* \* \*

Q. Isn't it a fact, Mr. Lewis, that you did not pay a \$1,000 down payment but you gave a third trust for \$1,000 and didn't put any cash down? A. No, sir.



Q. Do you have a receipt for the \$1,000 now? A. Not now, no, sir.

[34] Q. You say you bought the property, and did you tell us how many trusts were on the property at the time? A. First and second.

Q. You don't know how much the first trust was? A. No, sir.

Q. How were the payments to be made on that trust or how much per month? A. I don't know now, sir.

Q. How much was the second trust? A. I don't know.

Q. How much were the payments to be made on the second trust? A. I don't know.

\* \* \*

[37]

Q. Your statement then that you made the deed to your sisters in 1957 was not correct. It was in 1954, wasn't it? A. I don't remember what year it was.

\* \* \*

Q. Now, when you went down to sign the deed you went to the Building and Loan Association? A. I don't know, sir.

\* \* \*

Q. You don't know where you went? A. No, sir.

Q. But you do know Mr. Harrison? A. No, sir.

\* \* \*

Q. You don't know Mr. Swartzer? A. No, sir.

Q. Do you remember any of the details that occurred when you signed the deed to your two sisters? [38] A. No, sir.

Q. Now, at that time I understood you couldn't read any better than you can now? A. That is right.

Q. So if you looked at the deed you wouldn't know what it said anyway? A. That is right.

\* \* \*

Q. I show you this and ask you whether or not you didn't receive this from the Consolidated Properties which stated you were in arrears \$280? A. I don't know, sir.

Q. Sir? A. I don't know, sir. I can't read. I don't know whether I got this or not.

Q. Well, look at this piece of paper and see if you can remember something like that being sent to you through the mails? A. No, sir.

Q. You can't remember? [39] A. No, sir.

Q. Do you remember giving any kind of a piece of paper to Mr. Alldridge? A. No, sir, I didn't.

Q. But you knew in August, did you not, that Consolidated Properties told you you were in arrears in your payments, didn't they? A. No, sir, I didn't.

\* \* \*

Q. Where is the book now? A. I don't know. It is some place. It got misplaced when I got set out.

Q. Did you ever hear of Consolidated Properties? A. No, sir.

[41] Q. Now, you told us your property was being advertised for sale. Do you remember saying that just a little while ago? A. Sure. After I had read in in the paper.

\* \* \*

[45] Q. You don't remember what day the ad appeared, do you? A. No, sir.

Q. Do you remember what paper it was in? A. No, sir.

Q. And when you were informed that it was being advertised did you yourself do anything about trying to stop it? A. Yes, sir. I tried to get me some money so I could stop it.

Q. And where did you try to get some money? A. I tried to get some from my sister.

Q. You couldn't get any? A. No, sir.

\* \* \*

[46] Q. Now, Mr. Alldridge, I understand, came over about 10 o'clock or 15 minutes before she left? A. He came there about 9 o'clock.

Q. And at that particular time he said he wanted to help you? A. Yes, sir.

Q. And you told him you wanted the property refinanced? A. Yes, sir.

Q. Do you know what the term refinance means? A. No, sir.

Q. If you don't know what it meant then how could you tell him what you wanted or you wanted it refinanced?

\* \* \*

[47] Q. Now, at that time did he ask you what the balance of your first mortgage or first trust was? A. I don't remember. No, sir.

Q. Did you tell him what the balance of your first mortgage was? A. No, sir.

Q. Did you tell him what the balance of your second mortgage was? A. No, sir.

Q. Did he ask you? A. No, sir.

Q. Now, you said you wanted some money to pay your sister off? A. Yes, sir.

Q. And how much did you owe your sister then? A. \$600.

Q. Did you give her a note for the \$600? A. No, sir. I didn't give her no note for it.

\* \* \*

Q. Was there any interest due on that? A. No, sir.

\* \* \*

[48] Q. Did you discuss what the settlement charges would be? A. No, sir.

Q. Did you have any discussion with Mr. Alldridge at that time as to how much money you would need to stop the sale and pay your sisters off? A. I told him I needed \$600.

Q. But you didn't discuss how much the settlement charges would be? A. No, sir.

Q. And so you didn't discuss how much these mortgages were so he could pay those off? A. No, sir, we didn't.

Q. But he said he would get you the \$600? A. Yes, sir. That is right.

Q. Did he tell you how he would get it for you? A. He said a friend — or he had a friend who would take care of it for me.

Q. What were you going to give him for the \$600? A. Well, I know I had to pay interest on it.

Q. Well, were you going to give him a note, a mortgage, deed or what? A. Going to give him a mortgage.

\* \* \*

[49] Q. And what was it going to be, a first, second, or third mortgage? A. The first one — no, we didn't have but one. I paid it all in one.

Q. And what were you going to do with that one you were already paying on if you were going to give him a first mortgage? A. If I gave him a first mortgage I would have to pay off that one and pay him all the time.

Q. Was he going to pay the first mortgage off? A. That is what he said. He said he would take care of it for me.

Q. Did you tell him where you were making the payments? A. No, sir, I didn't.

Q. Now, at that particular time did he give you a piece of paper that looked like this to sign?

\* \* \*

[50] Q. Now, Mr. Lewis, look at this paper and see since you can't read, look at the form of it with the border, and so forth, and see if it has what appears to be your name, your wife's name, Mabel Lewis, John L. Floyd, and was that your sister's husband?

\* \* \*

A. I signed that on K Street.

\* \* \*

Q. And your wife was with you at K Street? A. Yes, sir, all 4 of us.

Q. And how about your brother-in-law? A. He wasn't with us.

Q. Well, how does his name get on there, down at the [51] bottom between where it says John L. Floyd? A. I don't know, sir.

Q. He wasn't there? A. That is right.

\* \* \*

Q. You signed no papers in your home before you went to the title company? A. No, sir.

\* \* \*

[52] Q. Now, who told you to come to the title company at that time? A. Mr. Alldridge.

\* \* \*

Q. When you went to the title company you thought you were going there to get \$600; is that right? A. That is right.

\* \* \*

[53] Q. Did Mr. Alldridge introduce you to the man at the title company by the name of Mr. Richard M. Alonzo? A. I don't remember.

\* \* \*

Q. \* \* \* When you got there you all sat down at this table? A. Yes, sir.

Q. And did Mr. Alldridge sit down at the table, too? A. Yes, sir.

Q. Were you all on one side of the table or were some of you on one side and some on the other side? A. All of us were on one side of the table.

\* \* \*

Q. And he was at the head of the table, wasn't he? A. He was across in front of us.

Q. Now, he gave you some papers to sign? A. Yes, sir.

Q. And you don't know how many? [54] A. No, sir.

\* \* \*

[55] Q. And where was Mr. Alonzo sitting with respect to this table? A. Mr. Alonzo didn't sit. He stood up all the time.

Q. Did you see him give your sister the paper to sign? A. Yes, sir.

Q. You don't know how many papers he gave her? A. I don't know how many it was but it was more than one.

\* \* \*

[56] Q. All right. Which sister are you referring to that he gave the paper to first? A. Gambrell.

\* \* \*

Q. Now, when he handed her the paper to sign which he put in front of her — ?

\* \* \*

Q. He had his hand on it? A. Just like that.

\* \* \*

[57] Q. Did your sister say, Now, take your hand away, I want to read this? A. No, sir.

\* \* \*

Q. Was there anything other than the fact his hand was there to prevent her from reading the paper? A. No, sir.

Q. Now, when she signed it, what did he do next? A. He said, Let the next one sign it.

Q. And who was the next one? A. My other sister.

Q. And where was she sitting? A. Right next to her. Both of them were sitting side by side.

Q. He had to move more than 6 inches, sir? A. I don't know how far he moved it.

Q. All right, now. When he moved it over did he have his hand on it still? A. He kept his hand on it.

\* \* \*

[58] Q. Did your other sister, Mrs. Floyd, ask that she be permitted to look at the paper? A. No, sir.

\* \* \*

Q. After your sisters, Mrs. Floyd and Mrs. Gambrell signed the paper what happened to the paper? A. Then he told me to sign it.

Q. To sign the same paper? A. Yes, sir.

Q. All right, now this paper here which has been marked for identification as Defendant's No. 3, shows Luevonía L. Gambrell and Ida Kay Floyd's signatures on it. Show us where your signature appears on it? A. Mine ain't on there. I didn't see her sign this one. This ain't the right paper.

Q. This is not the right paper? A. No, sir.

Q. They all signed one paper? A. That is all I seen.

\* \* \*

[59] Q. I hand you what has been marked as Defendant's No. 4 for identification, and ask you whether or not your signature appears on there? A. Yes, sir.

Q. Do you see your wife's signature on it? A. I think this is it but I know this is mine.

Q. Yes, she signed this the same time you did, didn't she? A. I imagine so.

Q. Do you remember signing this paper, No. 4? A. No, sir.

Q. Do you know how many papers you signed at the title company? A. No, sir.

\* \* \*

Q. Now, when this was handed to you then, you don't remember how you signed this, do you? [60] A. He just handed it to me and told me to sign this. He had two or three papers and said, sign this, and he had another and he told me to sign that and that is what I did.

Q. All right, now. Did you ask him to let you look at the paper? A. No, sir.

Q. You said you couldn't read? A. That is right.

Q. Did you ask him to read the paper for you? A. No.

Q. Did you ask Mr. Alonzo to read the paper for you? A. No, sir.



Q. Did you ask your wife or sister to read the paper for you? A. No, sir.

Q. You knew you were going to sign some papers at the title company, didn't you? A. Yes, sir.

Q. Did you make any effort to bring anybody with you to read the papers, when you got there, for you? A. No, sir.

\* \* \*

[61] Q. Did Mrs. Gambrell get her \$600? A. No, sir.

Q. When you signed the papers what arrangements did you make about your getting the money? A. He told me he would let me know, he would make the arrangements for me.

Q. Did you ask the man at the title company when you were getting your money? A. No, sir. \* \* \*

Q. You didn't ask at the title company? A. No, sir.

Q. You knew this was a title company that settled settlements for real estate contracts, didn't you? A. No, sir.

Q. You didn't know that? A. No.

Q. You had been previously to the title company when you bought the property? A. Yes, sir.

Q. And you knew at that time certain moneys had to be put up?

[62] A. Yes, sir.

Q. But you made no specific inquiry as to whether your sister would get the money? A. No.

Q. Did anybody ask you for any settlement charges at this time? A. No, sir.

Q. Did you ask them what the new mortgage was, or if there was going to be a new mortgage on the property? A. I ask Mr. Alldridge and he told me there would be one.

Q. Did you ask the settlement men how much it was? A. No, sir.

\* \* \*

Q. But you didn't ask him how much the principal was going to be, the full amount? A. No, sir.

Q. You weren't interested in that? A. I was interested, I guess, but I didn't know it.

\* \* \*

[63] Q. Well, you went back to the title company you said, and signed papers the second time? A. That is right.

Q. How soon after the first time did you go back? A. About 8 or 10 days.

\* \* \*

Q. Who went with you? A. Just me and my wife.

Q. And who arranged for you to be there? A. Mr. Alldridge.

\* \* \*

[64] Q. I show you this paper and ask you whether or not it looks like your signature?

\* \* \*

MR. MILLER: This paper has been marked as Defendant's 5 for identification, Your Honor.

Q. Will you look and see if you can recognize from the printing on it if it looks like the paper that you might have signed at the title company? A. No, sir, I wouldn't know, sir.

Q. Do you see your signature on it? A. Yes, sir.

Q. Do you remember when you signed it and where? A. No, sir.

Q. When you went back to the title company did Mr. Alldridge tell you what paper you were coming back to sign? A. He said we were to come back to sign and to get our \$600.

Q. Did you get your \$600. A. No, sir.

Q. Did you ask him when you were going to get it? A. Yes, I asked him and he said he'd send it in the mail soon.

\* \* \*

[65] Q. When he said soon, did you ask him whether it was one day, two weeks, or a month? A. No, sir. He said it would be soon.

\* \* \*

Q. Did you ever ask Mr. Scheve for your \$600. A. No, sir.

\* \* \*

[66] Q. Weren't you supposed to start making payments under this arrangement, whatever it was, starting October 1, 1962? A. No, I didn't until the time Mr. Scheve called me or writ me a letter.

Q. When was this? A. I don't remember. He writ me a letter and he told me he was the new owner.

\* \* \*

[68] Q. I show you what has been marked for identification as Defendant's 6. Do you remember getting a paper like that a Deputy of the United States Marshal's Office on which you and your wife's name was? A. Yes, I remember getting one from him but I can't say it was just like that.

\* \* \*

[69] Q. Did you ask anybody to read the paper to you? A. Yes, sir.

Q. Who did you ask? A. One of my boys.

Q. And you found out then, did you not, that Mr. Scheve claimed you were a tenant under a lease paying \$125 a month and he was claiming rent from November 1 to December 1? A. My son told me that is what I owed for rent at the time.

Q. Did you call Mr. Scheve up? A. I mailed him money.

\* \* \*

Q. \$125? A. Yes, sir.

Q. But you did not mail him \$4.25 Court costs which is mentioned down below? A. No, sir.

\* \* \*

[70] Q. And but this time now, then, this one is dated November 16th, had you gotten your \$600 from the title company? A. No, sir.

Q. And you made no effort to make an investigation where that money went to? A. I never could see Mr. Alldridge to find out how come he didn't get me my \$600.

Q. Did you go to the Legal Aid people? A. No, sir.

Q. Were you working at that time?

\* \* \*

[71] A. I went to work May 8th or April 8th.

\* \* \*

Q. When you were served and you were served on November 19th, you were working, weren't you?

\* \* \*

A. Yes, sir.

Q. So there was nothing to prevent you from asking your boss about this paper to help you out on? A. No, sir.

Q. Did you ask your boss? A. No, sir.

Q. After you got this paper you sent in this money. Now, you said you had some additional receipts. Were those receipts before or after these receipts? A. I don't know, sir.

Q. Do you know for how much they were? A. No, sir.

Q. Do you have any idea when you paid them? A. No, sir.

\* \* \*

[72] Q. I show you what has been marked for identification as Defendant's 7, and ask you whether or not you can look at it and tell us whether or not the Marshal didn't serve you and your wife with another paper that looked like that the second time? A. I just don't remember.

\* \* \*

Q. When you made this payment you say with respect to that first paper, which is Defendant's Exhibit 6, you said you sent a payment dated December 18th, 1962. Was this payment you made through the mail or did you give it to Mr. Scheve in person? A. I put it through the mail.

Q. And he sent you back this receipt? A. Yes, sir.

Q. When you got it back did you see something on top of it or did you ask somebody to read, Costs are still owed. [73] Please remit?  
A. No, sir.

Q. You didn't pay any attention to that? A. No, sir.

Q. Now, with respect to this second paper you say you made a

payment on January 3d for \$125. You knew then, of course, this was rent you were paying? A. I had to pay something to stay there.

Q. Did you notice on the top of this, January 3d, amount owed costs for rent Landlord and Tenant suit? A. No, sir.

\* \* \*

Q. Did you see on the second paper the fact there was an additional \$4.25 for Court costs? A. No, sir.

Q. You made no effort to get in touch with anybody concerning the \$600 or getting the property back for you?

\* \* \*

Q. Did you go to the Legal Aid? A. No, sir.

Q. Did you go to your boss? A. No, sir.

\* \* \*

[75] Q. Up to that time you never made any offer to Mr. Scheve to pay back the money he had paid at the foreclosure sale, had you? A. No, sir.

\* \* \*

[76] Q. You never got anything from the United States Marshal through the mail? A. Nothing but a notice to get out.

Q. You got two of those, didn't you? A. Yes, sir.

Q. In other words, you got two notices served on you and two of them through the mail, didn't you? A. I know I got two of them.

\* \* \*

[77] Q. Now, you mentioned, sir, something about \$100 that you gave Mr. Scheve after you got the last thing through the mail and they were about ready to put you out? A. Yes, sir.

Q. Did you give it to him in cash? A. Yes, sir. I didn't give it to him. I dropped it through the mail slot in his door.

Q. You never got a receipt on that one? A. No, because he told me he was going to give it back to me.

Q. Did he give it back to you? A. Yes, through my sister-in-law.

Q. Your sister-in-law is Mrs. Pruitt? A. No. My sister-in-law is Mrs. Lewis.

\* \* \*

Q. Didn't Mr. Scheve and you make arrangements for you to move to Mrs. Pruitt's house and he would pay \$100 on your rent? A. He told me he wanted me to move and he told me he [78] would give me \$100 back and he asked me where he could carry it to and I told him I wouldn't be home and he carried it to my brother's house.

Q. And your brother's house is 1311 T Street, and he left it there? A. He left it there and my sister-in-law gave it to me.

Q. Do you know how come he left it at your sister-in-law's house? A. For me to move.

Q. You afterwards moved to 1311 T Street? A. That is right.

Q. Does Mrs. Pruitt live there? A. If she does she lives upstairs. I didn't ask any questions.

\* \* \*

[79] Q. You don't know about Mr. Scheve giving her \$100 so you could move there? A. Well, my sister gave me the money.

Q. How long did you live at 1311 T Street? A. About 3 weeks, until I got me a place.

\* \* \*

[80] Q. Now, up to the present time, up until today have you ever offered Mr. Scheve \$752.43? A. No, sir.

Q. You never offered him any other amount other than these amounts you have on these receipts? A. No, sir.

\* \* \*

[83]

IDA KAY FLOYD

\* \* \*

## DIRECT EXAMINATION

BY MR. BONNER:

\* \* \*

[84] Q. Are you related to Mr. Lewis who sits there? A. Yes, sir, Russell Lewis is my brother.

\* \* \*

Q. Can you tell us whether or not you loaned your brother any amount of money?

\* \* \*

[85] A. During the time we gave him the \$600, yes, sir.

We went down to the Eastern Real Estate on Pennsylvania Avenue, Southeast, somewhere, and we signed some papers that we may get our money back from whatever we lent him. It was agreed.

\* \* \*

A. It was placed in my sister's and mine. It was placed in our names, Mrs. Luevonja Gambrell and Ida Kay Floyd.

Q. Did your brother ever repay that \$600? A. No, sir.

Q. What was the arrangement, if you had any arrangement, what was your arrangement as to being paid back the money? A. Well, he said he would pay us back and then I guess [86] he had more trouble during his wife's illness and what not -- and he still was short and needed money and he said that he had met a man that would give us our money out of it, out of the property, and if we would come down there and sign. We did, and all you have to do is come down and sign. That is what he said.

Q. Going back to the time that you and your sister gave him some money and the property was placed in your name, what was the agreement between you as to what would be done when he paid this money back to you as to the property?



Were you to keep the property or give it back to him or sell it or what were you supposed to do with it? A. We were supposed to keep the property until we got the money back.

Q. Now, after you got the money back, what was supposed to happen? A. The property was supposed to go back to my brother in his name.

Q. Do you know a man by the name of Mr. Alldridge?

\* \* \*

[87] A. Yes, sir.

Q. When did you first see that gentleman? A. I saw him when my brother called and told us to come down to sign the papers on K Street.

\* \* \*

[88] Q. Now, did you sign any papers at that time? A. Yes, sir.

\* \* \*

A. Well, we were all sitting around this table and Mr. Alldridge was sitting across from us and he said, All you have to do is sign these papers and that will release you and your sister from the property. And I said to him, That is what we are down here for, to release the property. And he said, I have got these papers for you to sign.

And he brought these papers up -- I don't know exactly how many -- but he brought up papers, and there were three papers, I believe, and he said, Now, you all sign right here and that will release the property back to your brother and your brother can pay you all the money out of it that he owes.

Q. Did you have an opportunity to read the papers that you signed?

A. No, sir, I didn't have that much time.

Q. Why not? A. We worked at a beauty shop and we had appointments [89] and we only had time to rush down there and sign the papers and rush back to our jobs. So when he told me the purpose of signing was to release the property so my brother could have it and we could get our money back, naturally I signed the papers and went back to work.

\* \* \*

[91] Q. After you and your sisters signed these papers did you have further conversation with Alldridge? A. No, sir. We left. He said to us, That is all I want you to do is to sign the papers and we left out.

\* \* \*

### CROSS EXAMINATION

BY MR. MILLER:

Q. Mrs. Floyd, the first thing you knew about this transaction, is when your brother asked you to come to the title company? A. Yes, sir.

Q. You never discussed the matter with Mr. Alldridge prior to that time? [92] A. No, sir. I don't know Mr. Alldridge.

Q. Did you know this property which was in your and your sister's names was being foreclosed in the paper? A. No, sir, I didn't know that.

Q. Your brother never told you? A. No, sir.

\* \* \*

[93] Q. You don't have any other kind of paper writing showing that you loaned him the \$600? A. No, sir.

Q. Now, whose idea was it to go to the Eastern Building Association to have them do the paper work? A. I don't know whose idea it was but I know that is where we went, sir.

Q. You didn't do it? A. I don't recall who did but I know somebody told us to come down there.

Q. You didn't make the arrangements? A. I didn't make the arrangements.

\* \* \*

[97] Q. Can you read and write? A. Yes, sir, I can read and write.

Q. What grade of school did you go to?

\* \* \*

A. I went through the 11th grade, sir.

Q. Do you know how far your sister went? A. My sister went around about the 7th grade, sir.

Q. Can she read and write? A. Yes, sir, she can both read and write, sir.

Q. How long have you and your sister been operating prior to 1962 these individual booths in this beauty shop? A. Well, I would imagine it has been about 10 years.

\* \* \*

[98] Q. And you were introduced to Mr. Alldridge at that time? A. That is right. My brother said this is the man who is going to give me a settlement so you all can get your money.

\* \* \*

[99] Q. Nothing was discussed in your presence? A. Nothing was discussed in my presence. Only the signing.

\* \* \*

[100] Q. Now, did you sign all the papers at once or did everybody sign one paper and they were given another paper [101] and everybody signed that paper? A. No, they were all in a stack and you see, he said, Sign this one, and sign that one and then they went to the next one like that.

\* \* \*

Q. Did you ask him to let you read it? A. I certainly did not.

Q. Did you in any way attempt to read it? A. I did not, sir, because I thought it was already prearranged before we got there.

Q. And you asked him no questions? A. I did not, sir.

\* \* \*

[102] Q. Did you ask Mr. Alldridge to give you your \$600 right then? A. No, sir. \*\*\*

Q. Did you ask him when? A. No, I didn't because he told me when the settlement was over I would get my money.

Q. When did he say the settlement was over? A. He didn't say.

\* \* \*

Q. You weren't even interested? A. Yes, sir. I was interested in the property and my money, sir.

Q. And you didn't even ask him when? A. No, sir.

Q. And he did not tell you? [103] A. No, he did not tell me.

\* \* \*

Q. Did you ever get your money? A. No, sir.

Q. Did you ever get in touch with the title company or write them a letter? A. No, sir.

\* \* \*

Q. And you never wrote any letter to Mr. Scheve? A. No, sir, we didn't know Mr. Scheve.

Q. You never spoke to Mr. Scheve? A. I never spoke to Mr. Scheve before in my life.

Q. Did you ever attempt to get in touch with Mr. Alldridge? A. No, sir. My brother had told me, sir, he had tried to find him but he hadn't found him.

Q. Did you make any effort to find him? [104] A. No, sir, I did not.

\* \* \*

Q. Did you ever discuss anything with your brother or do you remember when your brother was evicted? A. I don't remember the date but I remember the day he was evicted. I don't know what day it was but I remember it.

\* \* \*

Q. After he was evicted did you make any effort or any inquiry to find out where Mr. Alldridge was to get your \$600? A. I certainly did not.

\* \* \*

[105]

## REDIRECT EXAMINATION

BY MR. BONNER:

\* \* \*

[107] THE COURT: Did you ever ask him what you were signing?

THE WITNESS: Whenever we went in there he said, All you have to do is sign so you can get your money and your brother can get his property.

THE COURT: Had you ever seen him before?

THE WITNESS: I had never seen him before in my life.

THE COURT: How old are you?

THE WITNESS: I am 46, sir.

THE COURT: Did you ever borrow any money in your life from a loan company or a bank?

THE WITNESS: I've only borrowed money from a loan company with my husband.

THE COURT: Did you ever sign any papers?

THE WITNESS: I had to sign them and there you have to read it.

THE COURT: You mean you signed your name without reading it?

[108] THE WITNESS: Yes, sir. I certainly did, but we were rushed.

THE COURT: Didn't you see those large words on the paper that says Deed in this large type?

THE WITNESS: No, sir, I certainly did not see that.

\* \* \*

## RECROSS EXAMINATION

BY MR. MILLER:

Q. Would it be a fair statement to say you and your sister were in such a rush that you wouldn't have read the paper regardless of how it was presented to you? A. Sir, I would have read the paper if I had more time.

\* \* \*

Q. Now, why didn't you ask him, Let me read this paper, if you were interested in reading it? A. Sometimes when you are in a rush like that you don't think.

\* \* \*

[110]

MABEL LEWIS

\* \* \*

DIRECT EXAMINATION

BY MR. BONNER:

\* \* \*

[111] Q. You are married to Mr. --? A. To Mr. Russell Lewis, I am.

\* \* \*

[112] Q. How did he say he could be helpful, or help you out?

[113] A. Well, he said and by that time my husband was talking and he asked him about refinancing the home so that the payments could be cut and so we wouldn't have to pay as much a month and he would keep the payments going. And he said he could do that.

After he said he could do that then I mentioned concerning the two sisters' money and that my husband might have their property put in his name and get the money and pay the sisters off so the thing might be fully cleared and he said, he will do that.

\* \* \*

A. That he could also get the \$600 while making an arrangement to re-finance the house and that we could get the \$600 and pay the sisters off.

\* \* \*

[114] Q. Now, did you go to see Mr. Alldridge again? A. Well, I didn't see Mr. Alldridge any more until we saw him on K Street at the title company.

Q. How did you happen to go to K Street? A. Well, he had notified my husband some way that we were to meet him there.

\* \* \*

Q. And was there anyone else supposed to meet you there? A.  
The two sisters.

\* \* \*

[126] The documents previously marked for identification as Plaintiff's Exhibits 1-A, B, C, and D were received in evidence.)

\* \* \*

### CROSS EXAMINATION

BY MR. MILLER:

\* \* \*

[127] Q. And where did you go to school? A. South Carolina.  
Q. And what was the grade that you completed? A. Sixth grade.

\* \* \*

[129]  
Q. Who did you buy the Grant Street property from? A. Collier  
& Vogel.

\* \* \*

Q. And you and your husband participated in that transaction and signed contracts? A. Yes, indeed.

Q. And what title company did you settle it at? A. Well, the title company was on Kennedy Street, I think it was 308, I believe, Kennedy Street, Northwest.

\* \* \*

[130] Q. How many apartments were there in that? A. Four.

\* \* \*

Q. You had four tenants? A. That is right.

Q. How many trusts did you have on that property? A. Two

Q. And the payments that you got out of it, was that enough to take care of the expenses and the payments? A. Yes, it was enough to take care of the expenses.

\* \* \*



[135] Q. Did you hear your husband tell Mr. Alldridge while you were there how much he owed on the first mortgage or on the first trust? A. No, I didn't.

Q. Did you hear him say anything, your husband say anything, how much he owed on the second mortgage? A. No, I didn't.

\* \* \*

[136] Q. Did he tell you what the payments would be? A. No, well, he didn't tell us.

\* \* \*

[146] Q. Now, of course, you can read and write, can't you? A. Sure.

Q. Did you ask Mr. Alldridge to let you read them? A. No, I didn't.

\* \* \*

[147] THE COURT: Counsel, this is, as you know, a non-jury case, and let me ask you a question: With the evidence that there was available to you, and again I am not indicating how I am going to rule in this case because I haven't heard all the evidence, but why wasn't Mr. Alldridge named as a defendant in this case?

MR. BONNER: The reason is this, sir: When I first spoke to these people, and Mr. Kehoe first spoke with these people, they had no knowledge of how Alldridge spelled his name, or whether his name was Alldridge.

\* \* \*

[150] BY MR. MILLER:

Q. How much was he going to charge you? A. He didn't say.

\* \* \*

A. \*\*\* He was going to get the money to pay it, you know, and refinance the house, and putting it in his name, and in doing so he would get his pay.

Q. He was going to put it in his name? A. This was our understanding. The house would be in his name, and we would pay to him instead of paying what my husband was paying.

\* \* \*

[151] Q. Now, did he give you any explanation when you were at the title company in front of everybody, about how much money he was going to get for you, what the total amount was going to be that you owed, and what payments you were going to make? A. All I can remember was that he said we owed \$8,000, and somewhere there was a third trust. He didn't know where it was and we didn't know where it was.

Q. How much was the third trust? A. Well, the third trust he said, was, I think it was a thousand dollars.

\* \* \*

[152] Q. You knew you needed \$600 above the \$9,000? A. That is right.

\* \* \*

Q. Now, you also knew that there was some payments that had to be paid to somebody who was foreclosing, didn't you? A. Well, we looked to him to take care of that.

Q. How much was that going to be? A. I don't know.

Q. How much did he tell you the payments were going to be after that? A. He didn't tell us. He told us we would get a book, and we expected that to be on the book.

Q. Didn't you ask him what the payments were going to be? A. No, but we expected this to be on the book.

Q. You were not interested in how much you were going to have to pay a month? [153] A. Sure we were interested in how much we had to pay.

Q. Why didn't you ask him about it? A. Well, we put it in his hands.

Q. Why didn't you ask him how much the payments were going to be? A. Well, we didn't think about that. We did think to ask him about it.

Q. You were not able to pay \$100 a month at that time? A. At that time that is why we wanted to refinance the house, to cut the payments.

Q. How much were they going to be, less than a hundred? A. I don't know. Whatever he could do about it --

Q. What were they going to be -- A. Whatever he could do about it, this was up to him.

\* \* \*

[154] Q. Suppose the payments were more than a hundred dollars, were you going to pay more than one hundred? A. Well, we wanted it to be less than a hundred, which it was more than a hundred.

Q. Well, suppose it was more than 100? A. Well, we didn't even think of that, think of it being more.

We were thinking of it being less.

Q. And even though you had all this on the property, you were trying to get more money, and you didn't know how much you were going to pay him for what he was going to do, and you made no effort to find out what the payments were going to be? A. No, as I say, we put it in his hands.

\* \* \*

[155]

LUEVONIA GAMBRELL

\* \* \*

DIRECT EXAMINATION

BY MR. BONNER:

\* \* \*

Q. Now, Mrs. Gambrell, you are the sister of Mr. Lewis, are you not? A. I am.

\* \* \*

[182] MR. MILLER: I would like to call, Your Honor, a witness who will just testify about formal matters.

Will you call, I think it is, Mrs. Casey?

\* \* \*

[183] MR. MILLER: Well, Your Honor, I want to show that with respect to issuing a writ of restitution, that there was one issued, and which has been identified as Defendant's Exhibit No. 7, that a writ of restitution was issued on February 14th, 1963, in Landlord and Tenant Case No. 91,583-62, and that in issuing it, the writ of restitution is here, but the procedure is that when it is so issued that the bottom part of this is attached, and at the time it is issued it is detached, and the United States Marshall mails the bottom part after putting in a date that the writ is going to be executed.

THE COURT: Do you agree to that?

MR. BONNER: I do, sir.

MR. MILLER: And also that as far as Mrs. Casey knows, that the letter was not returned, and if it were, it would be attached to the original file.

THE COURT: Do you agree to that?

MR. BONNER: I do, sir.

MR. MILLER: And with respect, Your Honor, to the second one, which is an alias in the same case, it was issued for April 1st, 1963, and while it is true that a letter at the bottom part did not go out in the second one, there is, however, on top in red letters, notice sent E.K.

[184] And this means that it was requested on the second one on April 1st, and the same letter went out at that particular time and it wasn't returned.

THE COURT: Well, will you stipulate to that?

MR. BONNER: I will, sir.

THE COURT: All right.

MR. MILLER: And that for identification, Your Honor, Defendant's Exhibit No. 8, the bottom part, is the form that is used.

THE COURT: Well, he has agreed to that.

MR. BONNER: Yes, sir.

MR. MILLER: Thank you very much.

\* \* \*

HOWARD BERNSTEIN

\* \* \*

DIRECT EXAMINATION

BY MR. MILLER:

\* \* \*

[185] A. I am with Realty Title Insurance Company, Executive Vice President.

\* \* \*

Q. Now, what business at that time was Realty Title Insurance Company, Inc., doing? A. We were examining and insuring and settling titles to real estate.

\* \* \*

[186] Q. Now, at that time did you have an employee in your company known as Richard M. Alonzo? A. Yes, sir.

Q. And what was his connection? What did he do there? A. He was in our Escrow Department and Settlement Department.

Q. Was he what is normally known as a settlement clerk? A. Yes, sir.

Q. Was he also a Notary Public? A. Yes, sir, he was.

Q. Now, Mr. Bernstein, where is Mr. Alonzo now? A. He is in the United States Armed Services. He has been there about a year and a half.

Q. Do you know where he is stationed? A. It is my understanding that he is now stationed in Germany.

Q. Do you know how long he has been over there? A. He has been there approximately 9 or 10 months.

\* \* \*

[187] Q. Now, Mr. Bernstein, with respect to his work, you were his supervisor or his immediate superior? A. Yes, sir.

\* \* \*

Q. Do you know how he performed his work? A. Capably and efficiently.

\* \* \*

[188] THE WITNESS: I have never heard of Mr. Alonzo acting as a Notary without the people present before him, sir.

\* \* \*

BY MR. MILLER:

Q. Now, Mr. Bernstein, I show you what has been marked for identification as Defendant's Exhibits 3 and 4, and ask you whether or not you know or recognize Mr. Alonzo's signature? A. Yes, sir, this is Mr. Alonzo's signature.

Q. His signature appears on both of those documents? A. Yes, sir.

Q. Now, I also refer to the same documents and ask you whether you know who prepared these instruments? Not the particular person but what company prepared them, or where they were prepared? A. These documents were prepared on our forms, I would say, by members of our office.

\* \* \*

[190] Q. Now, Mr. Bernstein, do you know Mr. Robert Alldridge? A. Yes, sir.

Q. How long have you known him? A. Oh, I guess, 10 years or so.

Q. Did you know him in August or September or October, [191] 1962? A. Yes, sir.

Q. Do you know what he did for a living at that time? A. Operating his own real estate office. (underscore supplied)

\* \* \*

Q. Do you know Mr. Theodore J. Scheve? A. Yes, sir.

Q. How long have you known him?

\* \* \*



THE WITNESS: I would say 8 to 10 years.

BY MR. MILLER:

Q. And do you know what his business was or is in September, 1962? A. He was associated with the real estate business in buying.

\* \* \*

[192] Q. Now, I ask you whether or not you recognize Defendant's Exhibit No. 9 for identification as a record, a policy binder issued by your company? A. Yes, sir.

Q. And referring to the second page, does that indicate the encumbrances that were against the property on the date this was issued? A. Yes, sir, it does.

Q. And when was this issued? A. It was executed the 29th day of November, 1962.

Q. Now, Mr. Bernstein, at my request, did you bring down the settlement jacket in District Case No. 362,380 dealing with the settlement of the purchase of 1348 Shepherd Street, Northwest, by Russell and Dorothy Lewis, from a party by the name of Walter and Rose Norwood? A. Yes, sir, I did.

\* \* \*

[193] Q. Now, I ask you to look at the purchaser's statement, and how much does the purchaser's statement indicate that the purchaser paid in cash for the property at the time of settlement? A. It shows that at the time of closing there was due to settle 600 --

Q. No, how much cash was paid towards the purchase price? A. In all there was a deposit of \$1,500, plus due to settle, \$689.21, so in round figures \$2,200.

Q. Now, you have a jacket on the exterior which shows certain figures.

Does that exterior show the moneys received by your company and the moneys you paid out? A. Yes, sir.

Q. Does that show any receipts given to your company of \$1,500 by the purchaser? A. No, sir, it doesn't.

Q. Does it show the purchasers in addition to that amount paid your company \$689.21, the amount necessary to settle? A. Not in that specific amount, no, sir.

Q. Mr. Bernstein, from your experience in making settlements of houses in the District of Columbia in 1962, would [194] you tell us what the usual brokerage fee was for making sales by brokers? A. Well, there was a rule of thumb of 5 per cent.

Q. Now, with respect to the seller's settlement, does this show any commission paid by the seller's to anyone, and if so, how much? A. It shows a commission paid by the Norwoods to Kalavritinos Realty in the amount of \$1,000.

Q. Does your jacket show the issuance of a check by your company, deducted from the seller's proceeds, the payment of \$1,000 to Kalavritinos? A. No, it doesn't.

Q. Referring again to the exhibit for identification No. 9, will you tell us whether or not at the same time that this was settled, when the first and second trusts were executed by the Lewises, whether they executed a third trust for \$1,000 to Kalavritinos? A. Yes, sir, they did.

\* \* \*

[195] MR. BONNER: I will stipulate the paper shows that, sir.

THE COURT: All right.

\* \* \*

#### CROSS EXAMINATION

BY MR. BONNER:

\* \* \*

[199] Q. You are certain you prepared the deeds?

\* \* \*

A. I would say that these were prepared by our office.

Q. Do you recognize the typewriter? A. Yes, sir, I recognize the form, and these forms we never gave out.

\* \* \*

[200] Q. Did you know that Mr. Alonzo resigned his Notary Public commission? A. Yes, sir, he did.

Q. Do you know when that was? A. When he was inducted in the Service, approximately that date.

Q. Was that the reason for it? A. Yes, sir, that was the reason. He had to give notice that he was no longer at 1424 K Street, in compliance with the [201] notary fee regulations.

\* \* \*

BY THE COURT:

Q. You said Mr. Alonzo was to return in October? A. Yes, sir, he should.

Q. Is he going to return to the title company? A. Yes, sir.

Q. You don't know what part of October, I take it? A. Approximately around the middle, if I remember, that he was inducted, Your Honor.

\* \* \*

[203] Q. I think you did say that Mr. Alldridge was in the real estate business buying and selling property; correct? [204] A. He was associated in that, yes, he was.

\* \* \*

[207] FURTHER RECROSS EXAMINATION

BY MR. BONNER:

\* \* \*

Q. What records do you have, sir? A. I brought back the ledger cards involved in the transaction, plus a record involving Robert Alldridge, a bill record of Robert Alldridge.

[208] Q. You mean, it is a bill that Robert Alldridge owes your company or did owe your company? A. Yes, sir.

\* \* \*

[213]

ALFRED ROBERT ALLDRIDGE

\* \* \*

DIRECT EXAMINATION

[214] BY MR. MILLER:

\* \* \*

Q. And Mr. Alldridge, where do you presently live? A. 415 Kenebec Street, Oxon Hill, Maryland.

\* \* \*

Q. Where did you live in '62, in the fall of '62?

\* \* \*

A. I believe at 10913 Brookwood Avenue, Upper Marlboro, Maryland.

Q. How old are you? A. Forty-one.

Q. What is your present business or occupation? A. Buying and selling real estate.

Q. And do you hold a real estate broker's or salesman's license in the District of Columbia or Maryland? A. No.

Q. While you are buying and selling real estate, who do you do it for? A. Myself.

[215] Q. Now, do you have any place of business or address or do you do it from your home? A. No; through my home as well as my office.

Q. Where is your office located? A. 3611 Branch Avenue, Hillcrest Heights, Maryland.

Q. What is that? A. That is an office building.

\* \* \*

A. An office building.

Q. What are your accommodations there? A. A single room.

Q. Anybody connected there with you? A. No.

Q. Do you have any salesmen working for you? A. No.

Q. Do you have a secretary working for you? A. I share a secretary.

Q. Is that with someone else in the same room? A. No.

Q. The person who you share the secretary with is who? A. James Feddon.

Q. Does he have an office in your building? A. No.

Q. Where is his office? A. At 3711 Branch Avenue.

[216] Q. What is his business? A. Well, he's a real estate broker.

Q. Are you in partners with him? A. In an investment firm.

Q. In a corporation or firm? A. No; in a corporation.

Q. Well, now, is your business and his business associated together, or are they separate? A. They are separate. We, from time to time, cooperate on certain pieces of real estate.

Q. Now, Mr. Alldridge, directing your attention to the fall of 1962, what was your business? A. Buying and selling real estate.

Q. The same as it is now? A. Predominately, yes.

Q. Where were you located then? A. Brookwood Avenue.

Q. You had an office there? A. I had no office, such as I have had, I simply worked out of my home.

Q. That was at your home? A. Yes.

\* \* \*

[217] Q. When did you cease being a real estate salesman? A. I believe in '57, '58.

\* \* \*

Q. Now, Mr. Alldridge, in your business, especially around the year 1962, would you say that you were what is called a real estate speculator, the buying and selling and investment of real estate? A. Yes.

\* \* \*

Q. And in so doing, did you get leads also through the paper by watching foreclosure ads? A. Yes.

Q. Now, do you know Mr. Scheve, Theodore J. Scheve? A. Very well.

Q. How long have you known him? A. Approximately 3 years, I would say.

Q. Have you and he ever had joint offices together? A. No.

Q. Did you ever work for him as a salesman of any kind? A. No.

Q. Have you ever bought any property in which both of [218] you acted as partners, so to speak? A. No.

Q. How do you know Mr. Scheve? What was your connection with him or what was your association with him? A. I believe I first met Mr. Scheve at a foreclosure sale in Marlboro?

Q. When was this? A. Some time during '52, the early part of it, I think.

\* \* \*

Q. Was there other speculators or persons at that sales? A. Yes.

Q. Now, Mr. Alldridge, have you ever had any transactions with Mr. Scheve? A. From time to time, yes.

Q. Are they regular transactions or are they irregular? A. Irregular.

\* \* \*

Q. How many did you have with him from the time that you have known him to the present time? [219] A. I can't recall that either.

Q. Would it be many or few? A. I would say a few.

Q. Have you ever acted as an agent for him or an employee for him? A. Never. (underscore supplied)

Q. Now, what kind of transactions have you had with Mr. Scheve? A. Where I contracted to buy property, which was my contract to purchase, where I contracted to purchase a certain piece of real estate and turned the property over to him for value received, to Mr. Scheve.

Q. When you say, for value received, you mean you made a profit on it? A. Some of them.

Q. How about in some of the others? Would you say you didn't? A. No. However, this would be the situation, from time to time I can recall turning over to Mr. Scheve property which I had purchased and then decided I didn't want.



Q. Have you done this type of operation with other persons other than Mr. Scheve? A. Oh, yes.

Q. Can you name some of them? A. Herman Rosenfeld.

[220] Q. Who is he here? A. He is a member of the National Home Mortgage.

Q. Where is he located? A. He is situated at that time on Vermont Avenue and K Street here.

Q. Anybody else? A. Irving Unger.

Q. Who is Mr. Unger? A. Well, Mr. Unger is a speculator of considerable note in the city.

Q. And where is he located? A. He is located up on Vermont Avenue.

Q. Any other persons that you have made this same kind of deals with? A. The Harry Boswell Company out in Mount Rainier, and Fred Goings who is in District Heights, Maryland, and Rubin Silor, I believe, but I am not especially sure about the latter. There could have been others.

Q. Well, who is Rubin Silor? A. A speculator.

Q. Where is he located? A. I believe he is on Connecticut Avenue.

Q. Now, Mr. Alldridge, with respect to the persons you have named and others, have you had more dealings with these people separately as to each one than you have had with Mr. [221] Scheve, or more with Mr. Scheve than any of the others? A. No, I had more dealings with all of them, but in that order, Mr. Unger and then Mr. Goings, or vice versa, with Mr. Goings or Mr. Unger.

\* \* \*

[223] Q. Now, Mr. Alldridge, directing your attention to 1348 Shepherd Street, Northwest, when did you first become aware of or have any knowledge of that property? A. From an ad in the newspaper.

Q. What kind of ad was it? A. A foreclosure ad.

Q. Do you generally look at foreclosure ads? A. I usually do.

Q. Did you at that time? A. Yes.

\* \* \*

[224] Q. At that time were you working for the defendant, Mr. Scheve? A. No.

Q. Were you associated in any way with him in business?

\* \* \*

A. No.

Q. Were you partners in any deals? A. No.

Q. Did he work for you? A. No.

\* \* \*

Q. You say you contacted them? A. Yes.

\* \* \*

[225] Q. Now, at that time, Mr. Alldridge, had Mr. Scheve acquainted you with this ad and told you about it in any way? A. Absolutely not. (underscore supplied)

Q. Did you speak with Mr. Scheve about this particular ad or that there was a foreclosure at that time? A. No.

Q. Now, after you received a telephone call, what did you do? A. I set an appointment.

Q. With whom? A. Mr. Lewis.

Q. Where? A. At his home.

Q. When you went there do you remember what date it was [226] or the day of the week? A. No, but I believe it was Saturday.

Q. Do you know the date? A. No, except it was a Saturday morning.

\* \* \*

Q. After Mr. Lewis let you in, what happened, and what did you do, and what did you say? A. Well, Mr. Lewis was aware that the property was being [227] foreclosed.

\* \* \*

A. And we just discussed the property.

Q. Tell us what the discussion was to the best of your recollection, not word for word, but the discussion that you can remember. What you said and what he said? A. Well, the discussion pertained to

the existing encumbrances on the property, and Mr. Lewis at that time told me there were two encumbrances, a first and second trust, and this I knew, of course, from the ad; and the second trust holder was foreclosing.

Mr. Lewis produced his book and some literature pertaining to a payment plan that was made for him by the firm for which he was employed, I believe. And then he discussed financing the property, and I told Mr. Lewis --

Q. Will you just hold up a minute there, sir?

Is this the paper that he produced? A. Yes.

MR. MILLER: I would like to have this marked as a [228] defendant's exhibit.

(The document referred to was marked Defendant's Exhibit No. 11 for identification.)

BY MR. MILLER:

Q. Did he give you this paper? A. I believe he did.

Q. Now, continue to tell us the details, to your best recollection, the details of the conversation. A. Well, he informed me the property was not in his name. That the property was in the name of a sister and her husband, and he stated this has been done some years ago, and I asked him if he would discuss the financing of the property, and I told him at that time because of the condition of the property, it would be impossible to refinance it.

Q. Did he tell you what the amount was, or did you ascertain from the books what the amount of the second trust was? A. Yes.

Q. What was it to your best recollection? A. I can recall that originally the note was in the amount of, 55, or 5,450, or something like that, close to \$5,500, and I can recall the note had only been paid down, according to Mr. Staten, who held the second trust, to approximately 4,800 or 4,900 dollars, over a period of a number of years, which surprised me, because I thought the note should be [229] lower than this.

Q. Did you ascertain what the total amount of the two trusts was?

A. Yes.

\* \* \*

A. Well, we discussed the refinancing of the property, and I explained to Mr. Lewis that because of the condition of the property that it could not be refinanced, and I then asked him whether or not he wished to remain in the property, and Mr. Lewis said very emphatically he wished to remain there.

And then I asked him if he would consider turning the property over, if he were given a lease to remain there.

Mr. Lewis said, If I thought this could be arranged, and I asked him whether the relatives in whose name the property was currently in would be amenable to this suggestion, and he replied that he thought they would be.

At that point, I believe, I ordered a title search on the property.

Q. Was there any discussion as between you as to what would happen if the property did go to foreclosure? A. Oh, yes.

Q. What was that discussion? [230] A. Well, I didn't feel that the property would bring what the encumbrances were, and that he would be subject to possibly a deficiency judgment, and that he would certainly lose the property, and he said this he did not wish to do, that he wanted to save the property, and remain in the property if he could.

Q. At that particular time, and I show you what has been marked for identification as Defendant's Exhibit 1, and do you recall whether or not he gave that to you and showed it to you? A. I believe that he did.

Q. All right, sir. Did you come to any understanding with him at the time?

\* \* \*

A. That if and in the event anyone connected with the property would be willing to sign over their interest in it, that I would stop the foreclosure, and give them back a lease which permitted them to remain there, as long as they made the payments.

Q. Were you going to give him any money for this? A. No.

Q. Now, Mr. Alldridge, when you were up at the property at that time had you spoken previously to Mr. Scheve to the effect that you were going up to this property? [231] A. No.

Q. Did he direct you to go to this property? A. No.

Q. To your knowledge, do you know whether or not he had any knowledge about you going there or knowing anything about this property? A. No, not prior to my going; no, sir.

Q. On the day you went there? A. No.

\* \* \*

A. It was in the state of disrepair. The property was in disrepair, the window sills and frames, the porch needed repair, the outside and inside needed repair, and the property was in just actually deplorable state.

Q. Now, after you had this discussion, how did you leave [232] it with him? A. That I would make arrangements and so notify him to come to the Realty Title Company and I would have the papers prepared for him to sign.

Q. Did you make arrangements for the papers to be prepared?

A. I did.

Q. Did you order a title examination? A. I did.

Q. And did you make an appointment? A. Yes.

Q. Did you then get in touch with Mr. Lewis about it? A. Yes.

Q. What did you tell him as to what he should do or who should come? A. Everyone connected with the property, who had any interest, recorded interest in the property.

Q. Did he give you the names of the persons who had an interest in it when you first saw him at his house? A. I believe so.

\* \* \*

Q. Besides those people, did you ask him to come? A. Oh, yes.

Q. How about his wife? A. Yes, definitely.

[233] Q. Sir? A. Indeed, yes.

\* \* \*

I believe I had the deed prepared, maybe 15 or 20 minutes before they got there.

\* \* \*

Q. I show you what has been marked as Defendant's Exhibit 2 for identification. Is that in your handwriting? A. Yes.

Q. And when did you prepare that? A. September 20th, I would say.

Q. Is that at the title company or elsewhere? A. At the title company.

Q. How many copies of this paper did you prepare, do you remember? A. Three.

Q. All in handwriting? A. Yes.

Q. Now, when you got the papers prepared, are these the [234] two papers that were prepared, Defendant's Exhibit 3 and Exhibit 4 for identification? A. Yes.

Q. Now, did you meet them at the title company? A. Yes.

Q. Will you tell us, Mr. Alldridge, to your recollection, when you got there, tell us what happened, and what you did, chronologically the occurrences? A. Well, they signed the deed.

Q. Yes, but when you got to the title company what happened?

\* \* \*

A. Well, I met them in the lobby of the Realty Company, they have quite a big foyer, and I met them there, and told them their room would be free in a moment. We waited until the room was free, because there were quite a large number, I believe 5, 4, 5, or 6 people in the party.

And we went back to a vacant room, and I took the papers that had been prepared, and I sat down.

\* \* \*

[236] Q. Now, when you went in and picked up the papers, did you have the contracts written out at that time? A. Well, if I didn't have the contracts written out at that time, I wrote them out when the people were in the settlement room.



Q. In other words, while you were all in there, is that your best recollection? A. Yes.

\* \* \*

[237] Q. Now, when you were in this room, was any settlement clerk in this particular room? A. Mr. Alonzo made himself present.

\* \* \*

Q. Now, when you got into the room, who came in besides yourself?

\* \* \*

A. Everyone that was required to sign that deed was there, also Mr. and Mrs. Lewis who were required.

All the papers that I had to have signed, everyone was there that I needed a signature from.

\* \* \*

[238] Q. Now, to your best recollection, Mr. Alldridge, do you remember where you sat? A. I sat at the head of it, where the settlement clerk would normally sit.

\* \* \*

[239] Q. Now, Mr. Alldridge, when you were sitting in the room as you have described, did you produce the contract and the deed? A. Well, all of that was discussed prior to any signatures being secured.

Q. Where did you discuss it? A. We discussed it right there. We discussed it previously. Mr. Lewis and I discussed it previously at his home.

Q. Well, at the title company, did you discuss with the others what these papers were? A. Yes, indeed.

Q. Well, what did you tell them? A. I told them what they were going to sign.

\* \* \*

A. That they were conveying the property, that they were transferring the ownership of the property.

Q. Now, in getting these signatures, just what did you do mechanically? How did you get them to sign?

How did you present the papers to each of them? A. Went around the table, and put an X down and said, Sign here, and sign here, and sign here, and told them where I wanted them to sign and passed them around the table.

\* \* \*

[240] Q. In presenting the papers to each one of them, did you have any one of your arms over the top part of it, as I am doing now, your forearm, so that you could not see any part of it?

\* \* \*

A. No, I did not.

Q. Now, in transferring the papers, did you have the papers one on top of the other, and when they were signed, flip them over partially so the bottom ones could not be seen? A. No, I took each individual paper each one signed.

\* \* \*

Q. Now, when you presented it, did you put the ones that were signed off on the side after it had been signed by that individual? A. Yes.

Q. And as that was done, did you then present it to the [241] next one to be signed?

\* \* \*

Whether he asked with respect to Defendant's Exhibit No. 2, which is a deed from Luevonia L. Gambrell and Ida Kay Floyd, joint tenants, to Theodore Scheve and Geraldine Scheve, did he ask them whether they acknowledged this to be their act in deed? A. Definitely.

\* \* \*

Q. Well, let me come back to that.

Now, I refer to Defendant's Exhibit 4 for identification which is a deed from Mr. and Mrs. Lewis to Mr. and Mrs. Scheve. Could you

tell us with respect to that deed whether Mr. Alonzo asked them whether the Lewises acknowledged that to be their act in deed? [242] A. Yes.

\* \* \*

Q. Now, I notice each one of these deeds bears your name as a witness? A. Yes.

Q. Did you witness their signatures? A. Yes.

Q. Now, you started to tell us that at the time No. 3 was signed, you didn't have Mr. and Mrs. Scheve's name in there? A. No.

Q. Whose name was in there? A. It was blank.

Q. How about No. 4, the one that is signed by the Lewises? A. The quitclaim?

Q. Yes, the quitclaim? A. It was blank.

Q. Could you tell us why that occurred? A. Well, I do it this way purposely.

Q. Why? A. For the simple reason that if my arrangements do not work out satisfactorily, or if I choose to take title in a straw's name, and normally I will not take title in my own name, but I will take title in a straw party's name.

[243] Q. Do you know when Mr. and Mrs. Scheve's names got on those two instruments, No. 3 and 4? A. Well, it was some time after the appearance of Mr. Lewis and Mrs. Lewis' relatives in the title company. I don't recall exactly but I would say it was certainly -- well, I just don't recall. It was some time after this.

Q. Now, Mr. Alldridge, at that particular time, did you have a report on the run down on the title to ascertain or know what encumbrances were against the property? A. No, I had ordered it but I didn't have it.

Q. Now, at the time these papers were signed, did Mr. and Mrs. Lewis ever tell you or inform you that there was a third deed of trust on the property for a thousand dollars held by the Kalavritinos Realty Company? A. Not until I saw the run down, the preliminary title report, and called Mr. Lewis and asked him about this.

Q. What did he tell you? A. Well, Mr. Lewis, as I recall, he said he didn't know anything about it.

Q. Now, Mr. Alldridge, at this particular time when you got these papers signed by these folks, did you tell them that you were financing the property and their payments on the property were going to be reduced, and that you were going to take care of your fees out of the settlement, and that Mrs. Gambrell and Mrs. Floyd were going to get \$600 out of this [244] settlement? A. No.

Q. At that time when you had these papers signed, particularly dealing with the sales contract, Defendant's Exhibit No. 2 for identification, was it then that you gave Mr. Lewis a copy? A. Yes.

Q. And at that particular time had you discussed the matter, up to this moment when these papers were signed, discussed this matter with Mr. Scheve or had any arrangements or deals with him on this property? A. No.

Q. How long were you at the title company at that time? A. Well, approximately a half an hour, 45 minutes, maybe an hour.

Q. Now, after the papers were signed -- well, how many copies of No. 2 did you say you had signed, that is, the sales contract? A. Three copies.

\* \* \*

[245] Q. Now, directing your attention to this diagram, either before the papers were signed or after the papers were signed, did Mr. Alonzo come into the room, or was he there? A. I can't recall. Mr. Alonzo was definitely in the room during some time, and Mr. Alonzo definitely took these [246] signatures and definitely asked them if they knew what they were signing, yes.

Q. Did you have a private conversation out of the hearing of the folks in the room with Mr. Alonzo anywhere in the room? A. I don't recall any, no.

\* \* \*

Q. When did you first contact Mr. Scheve about this particular transaction? A. A couple of days later.

Q. And in talking to him about it, did you acquaint him with the facts? A. Yes.

Q. And did you turn this transaction over to him? A. I did.

Q. Now, this contract, Mr. Alldridge, calls for a \$50 deposit, No. 2 for identification, and do you see it there? [247] A. Yes.

Q. Did you pay that to Mr. Lewis?

\* \* \*

A. Yes.

Q. Now, in discussing it with Mr. Scheve, what was your discussion with him? A. That I had made a deal on the property and that I did not want the transaction, I changed my mind, and asked him if he would be willing -- asked him if he wanted it.

Q. Is this the first time that you spoke to him about this transaction? A. About this particular transaction, yes.

Q. Now, at the time you spoke to Mr. Scheve had you personally paid any money to anybody to stop the sale? A. No.

Q. Was the sale still being advertised? A. Yes.

Q. Now, after you spoke to Mr. Scheve, did he agree to take it over? A. Yes.

Q. Is this when you got his name put into the deed? A. Yes.

Q. Did you have any connection with or did you participate in contacting Mr. Peroni about arranging to stop the foreclosure? [248] A. I may have called Mr. Peroni and told Mr. Peroni it would be stopped. I may have done that, but I don't recall.

Q. Were you present when any money was paid to him? A. I don't believe so.

Q. At the title company did you promise any of these people that signed this deed any money over and above this \$50 that you paid Mr. Lewis? A. No.

Q. After you turned the transaction over to Mr. Scheve, did you then contact Mr. Lewis again about the rental agreement? A. Yes.

Q. I show you what has been marked for identification as Defendant's Exhibit No. 5 and ask you whether or not you know whose writing that is? A. Mine.

\* \* \*

Q. Do you know where you wrote it out? A. I believe I wrote it in Mr. Lewis' home.

\* \* \*

Q. Could you tell us when? A. It was some time, without looking at the date, it was some time after the transaction. I would say within a couple of weeks perhaps.

[249] Q. How many copies of this lease did you make? A. Two.

\* \* \*

Q. And where was it signed by the Lewises? A. At their home.

Q. And after they signed it, did you then get Mr. Scheve to sign it? A. Yes.

Q. What did you do with the second copy after Mr. Scheve signed it? A. Well, I believe I gave it to Mr. Scheve, and he said he would return it to the Lewises.

Q. You gave both of them to him? A. Yes.

Q. And did Mr. Scheve in any way give you any money after you turned this over to him? A. Mr. Scheve reimbursed me for my expenses.

Q. What were they? A. I don't recall, around \$50.

\* \* \*

[250] Q. Did you give him any other money at any time, other than the Notary fees about this transaction? A. No.

\* \* \*

A. Well, Mr. Lewis produced books and produced papers the day I went out there.

Q. Did he tell you what they were? [251] A. Yes. He went



through what you ordinarily call a stack of papers and took out those that I was interested in and brought them to me.

Q. Mr. Alldridge, after the leases were prepared by you and you got them signed, did you have anything more to do with the Lewises yourself? A. Nothing.

Q. Did there come a time, Mr. Alldridge, that you had a discussion about this matter with Mr. Kehoe? A. Yes.

Q. When was this? A. I don't exactly recall the exact time, but it was some time later.

I had a call on my answering service, I believe, from Mr. Kehoe.

Q. Did you go over and see him about it? A. No, I called him at home in Virginia and could not reach him there, but I did reach him at home, I believe, the following day.

\* \* \*

A. \*\*\* After receiving Mr. Kehoe's call, and after talking with Mr. Kehoe, I contacted Mr. Scheve, and Mr. Scheve said at that time that he was in the throes, I believe, of a landlord [252] and tenant suit. I just don't remember.

Q. What was your conversation with Mr. Kehoe? A. Well, Mr. Kehoe, I think was accusing me of fraud.

Q. Sir? A. He was accusing me of fraud.

Q. What did he say to you? A. That he thought that there was some fraud involved in the transaction, and I said to him I don't believe that there was, and that we had some papers, and if he would like to look at them, I would be glad to bring them down.

Q. And did he ask you to bring them down? A. Yes, I saw Mr. Kehoe the following day or the next day, or some time shortly in between.

\* \* \*

[253] Q. Now, Mr. Alldridge, up to that particular time, did Mr. Kehoe take your name and address? A. I don't recall. I know that -- I am sorry, I don't recall.

Q. You didn't refuse to give it to him? A. Of course not.

Q. Now, up to that particular time, Mr. Alldridge, had Mr. Scheve in any way whatsoever told you how to handle this transaction or what to do in it? A. No.

Q. Any instructions of any kind? A. No, sir. There had been lapses of time when Mr. Scheve and I would not contact each other for three or four months.

Q. Let us limit it to this particular case.

Had he in any way instructed you how to do anything, or what to do, or given you any instructions in any manner in connection with this case? A. No.

\* \* \*

[254]

#### CROSS EXAMINATION

BY MR. BONNER:

\* \* \*

[260] Q. Now, sir, you say you are now operating a real estate business? A. Yes, sir.

Q. In the District of Columbia? A. No, sir.

Q. Where? A. Hillcrest Heights, Maryland.

Q. Do you operate at all in the District of Columbia? A. I buy in the District of Columbia.

Q. For yourself? A. Yes.

Q. Are you engaged in the real estate business in the District of Columbia?

\* \* \*

[261] A. I buy and I sell real estate, sir, in the District of Columbia, and in Maryland, and occasionally in Virginia.

Q. Now, during this past year in the District of Columbia, how many deals have you been involved in, buying and selling, or both? A. I would say possibly I have been involved in 10 to 15 pieces perhaps.

Q. I understand, of course, you don't have a real estate license in the District, do you? A. I don't need one to buy property.

\* \* \*

Q. Who did you say your associate is out there in Maryland? A. I have no associate for sales. At times we split a [262] deal, Mr. Fedon.

\* \* \*

[271] Q. And you told Mr. Lewis that if there was a foreclosure, there might be a deficiency against him over and above what he owed; is that true?

\* \* \*

A. I did.

\* \* \*

[272] Q. Did you intend to buy this property for yourself or [273] for someone else? A. When I made my original offer, I intended to buy it for myself.

\* \* \*

[274] Q. Now, you told Mr. Lewis and you felt in your own heart, as I understand it, that this property would not bring \$8,000 at a foreclosure sale; is that true? A. In my own heart and in my own mind, that is correct.

Q. What did you think it would bring at the foreclosure sale? A. Less than what was owing against it.

\* \* \*

Q. Now, at this particular time you told us you discussed a lease whereby Mr. Lewis could release his home and rent it from you or someone for \$125 a month; is that correct? A. We discussed the lease, yes.

Q. And did he agree to this? A. Yes.

\* \* \*

[275] Q. Now, sir, I am going to show you what has been marked as Defendant's Exhibit 5 and ask you if this is the lease that you prepared for Mr. Lewis? A. Yes, sir, I believe so. Yes, it is.

Q. Is that his signature? A. Well, that is my writing.

\* \* \*

A. Well, he signed the deed at the title company, and he signed the lease later.

Q. Where? A. At his home.

\* \* \*

[276] Q. After you prepared the paper and had the Lewises sign it, what did you do with it, the lease? A. Gave it to Mr. Scheve. I delivered it to Mr. Scheve.

\* \* \*

[278] Q. So on the day you are down there, you had these people sign the deed, deeding the property from them to a blank person, didn't you? A. That is correct.

Q. And at the same time had them sign a sales contract agreeing to sell the property to you? A. I suppose so.

\* \* \*

[281] Q. Now, on the date of the 20th of September, which was the day you were at the title company, had you then decided to transfer this property to Mr. Scheve? A. No, I hadn't discussed it with Mr. Scheve at that time, but I was in the midst of finding out what kind of a first trust loan I could get.

Q. When did you first discuss this with Mr. Scheve? A. When I determined that I could not get any kind of a loan on the property, which was several days later.

\* \* \*

Q. What did you tell Mr. Scheve? A. I asked him if he wanted to take it over.

Q. Well, did you describe the deal to him? A. Yes.

Q. What did you tell him about it? [282] A. Well, I told him whatever it was, a 16 or 18 foot row brick, needed work, 6 rooms, basement, and this is what I would normally tell him, sir.

I told him what my deal was, and if he wanted to take it over, that I didn't want it.

\* \* \*

[283] Q. Now, in your sales contract, in your writing, you have approximately \$8,000.

Is that what you told Mr. Scheve? A. Yes, sir.

Q. As the price of the property? A. Yes.

Q. Did Mr. Scheve hesitate about accepting this deal? A. He said he wanted to look at it.

\* \* \*

Q. Well, how much later on did Mr. Scheve inspect the property?

A. Oh, I think within 24 hours of the time.

Let us put it this way, Mr. Scheve decided to take the deal within 24 hours of the time I offered it to him.

\* \* \*

[284] Q. All right, sir.

Now, this sales contract is dated the 20th of September, and you say you talked to Scheve 3 or 4 days later; is that right? A. Sometimes afterwards, yes.

Q. And within 24 hours he told you that he would take the deal; is that correct? A. Yes.

\* \* \*

[286] Q. Now, we have established that.

Mr. Scheve put the money up? A. Yes, sir.

Q. To stop the foreclosure? A. That is correct.

\* \* \*

[287] Q. And when he accepted the deal, did he say it sounded like a fair deal at \$8,000, that he might make money or lose money? A. All Joe said was, Well, if you want me to take it off your hands, I will take it off your hands.

\* \* \*

A. No, sir, I didn't.

Q. So Mr. Scheve would have to put up an extra thousand that he didn't realize when he talked to you; is that right? A. Mr. Scheve, in effect, paid a thousand dollars more for it than he thought he was going to pay.

\* \* \*

Q. Now, when that happened, did he come to you complaining to you about you giving him this deal which cost him an extra thousand and he lost money on it? A. He griped.

Q. And was there a little coolness in your relationship [288] as a result of that? A. Well, possibly.

\* \* \*

[289] Q. Weren't you calling on Mr. Scheve's behalf? A. No.

\* \* \*

[290] REDIRECT EXAMINATION

BY MR. MILLER:

Q. Now, Mr. Alldridge, with respect to the foreclosure sale, if the property had gone to foreclosure sale, what was it being sold subject to at the sale? A. Subject to a first.

Q. Do you remember how much the first was? A. Rather low.

Q. And if you had bought at the foreclosure sale, would you have had to pay cash in excess of the first trust? A. Oh, yes.

Q. Did you know the approximate balance of the second trust? A. Yes.

Q. And how much cash would have had to be put up at the foreclosure if Mr. Stathes protected his interest? A. As I recall, the balance of Mr. Stathes' note was somewhere between 45 and 49, and by the time of the trustee's fee, and the advertising, and so forth, it would have been somewhere around 56 or 57 hundred dollars.

Q. So with taking the deed from Mr. Lewis, you would avoid having to put all that cash up? A. Oh, sure.

Q. Is this one of the inducements that you had for trying [291] to get the deed without foreclosure? A. Absolutely.

\* \* \*

BY THE COURT:

Q. Prior to September 20th, 1962, when all these people were in the title company with you in this room that has been described, prior

to that date, how many other transactions were you engaged in, if you were engaged in any transactions, of a similar nature to this one? A. I used to chase foreclosures.

Q. You chased foreclosures? A. Chased foreclosures, and by that I mean, sir, I used to follow them in the weekly publications, out of Marlboro, and daily publications in Washington, and during this particular period of time, there could have been as many as 10 or 12 or 15.

\* \* \*

[292] Q. Well, on those occasions, did you go through the same routine or procedure of getting those people who were interested in the property or owned the property to meet you at this title company and submit papers to them similar to those that you submitted in this case? Did you use the same title company? A. I use the same procedure, sir, in almost every case, regardless of who might be involved.

Q. Did you go to the same title company? A. Yes, I used Realty without fail.

\* \* \*

[294] **FURTHER REDIRECT EXAMINATION**

**BY MR. MILLER:**

Q. With respect to your chasing these foreclosures, have you had in your procedure similar deals in which you sold the property to other speculators? A. Yes.

Q. Would you say more to other speculators or less to other speculators than Mr. Scheve? A. I believe earlier in my testimony I stated that I sold Mr. Unger and Mr. Goings more property than I did to Mr. Scheve, and the majority of the property I sold to Mr. Unger and Mr. Goings were from chasing foreclosures, in Montgomery, Prince Georges, Fairfax, Arlington, and the District of Columbia. [295] It is a basis of business which can be a pretty good one.

Q. Now, with respect to this transaction that you made, could you tell us how you made a determination that you could not get a satis-



factory new first trust and that was the reason why you decided to dump it? Do you understand my question? A. Well, I approached several people.

Q. And you were not able to get it? A. And I wasn't able to. There was one person that I had look at it, and he said, I am sorry, I can't help you.

\* \* \*

[301]

MILLBURN J. DONOHUE, JR.

\* \* \*

# DIRECT EXAMINATION

BY MR. MILLER:

\* \* \*

Q. And, Mr. Donohue, where do you reside? A. 4201 Cathedral Avenue, Northwest.

Q. And what is your business? [302] A. I am a real estate appraiser and broker.

Q. And are you a licensed broker, licensed by the Real Estate Commission of the District of Columbia? A. Yes, sir.

\* \* \*

Q. Mr. Donohue, how long have you been engaged in the real estate business? A. Continuously since 1938, except for military service during the Second World War.

Q. For how long a period were you out? A. Approximately 3 years.

Q. And during that time what was your activity in the real estate business?

MR. BONNER: If the Court please, we will stipulate the qualifications of Mr. Donohue.

MR. MILLER: I would like to get it in the record, Your Honor.

\* \* \*

A. I have been engaged in property management and mortgage banking,

and almost exclusively for the last 10 years, [303] let us say 90 per cent of my time, in appraisal and valuation work.

Q. And what education did you have, or schools did you attend in order to prepare yourself to get into this business? A. I hold a degree in business administration from Niagara University in New York State, and I have done postgraduate work in Catholic University, and the Wharton School of Finance of the University of Pennsylvania, and American University in real estate and related subjects.

Q. Are you connected with or a member of any particular associations or organizations in the District of Columbia allied with your kind of work? A. Yes, sir.

Q. What are they? A. I am a member of the Washington Board of Realtors, the Society of Real Estate Appraisers, the American Society of Appraisers, the Institute of Real Estate Management, and the American Right-of-Way Association.

Q. Have you ever been any officer in any of those organizations? A. Yes, sir. I have been President of the local chapters of the Society of Real Estate Appraisers and the American Society of Appraisers and the Institute of Real Estate Management.

And I am presently International Governor of the [304] American Society of Appraisers.

Q. Have you ever been a member of the Real Estate Appraisal Committee of the Washington Real Estate Board? A. When they had an Appraisal Committee, I was a member of that, yes, sir.

Q. Mr. Donohue, will you tell us what firms that you have done appraisal work for in the District of Columbia? A. A few of them are the American Savings and Loan Association, American Security and Trust, Eastern Savings and Loan Association, Guardian Federal Savings and Loan, Oriental Savings and Loan, National Permanent Savings and Loan, Mercantile Safe Deposit and Trust Company of Baltimore, the National Capital Bank, the First National Bank, Safeway Stores, Esso-Standard Oil, Tidewater Oil, the District of Columbia Government, Federal Gov-

ernment agencies, numerous attorneys, and insurance companies, and many individuals.

Q. Have you ever been a witness in any proceeding in this particular Court? A. Yes, sir.

Q. And are you on the list of appraisers for the District Court? A. Yes, sir.

Q. Have you been appointed by this Court in cases to make appraisals for the Court? A. Many cases, sir.

[305] Q. And have you appraised property in the administration of estates? A. Many, sir.

Q. Now, Mr. Donohue, did you make an appraisal of the premises 1348 Shepherd Street, Northwest, Lot 50, Square 2824 in the District of Columbia? A. Yes, sir.

Q. And did you prepare yourself and make an investigation and inspection of that property? A. Yes, sir.

Q. Now, as a result of your investigation and as a result of your preparation, are you able to give us, in your opinion, the fair market value of that property in September, 1962? A. Yes, sir.

\* \* \*

[306] Q. Now, were you given information with respect to improvements that were made after September, 1962, but at the time that you made your first inspection and subsequently made an inspection? A. The property, I think probably, Mr. Miller, I better say what the property is today.

Q. Very well. A. It is a two-story and basement, row brick building, having a slate and metal roof, galvanized iron gutters and downspouts.

It has an open frame front porch, and on the rear there is a small enclosed porch, and I would call it pantry size.

On the second floor it has a screened porch.

On the interior, the floors are Parquet and Southern pine, the condition is fair.

The walls and ceilings are all painted over wall paper, except the kitchen and bath, which are paint over plaster.

The rooms, there is a hallway, living room, dining room and kitchen on the first floor. The second floor has a hall, three bedrooms and one bath, which is tiled with a light leg tub.

The basement has a concrete floor, brick walls, exposed first floor joists and flooring. It has a toilet, a gas hot water furnace, and laundry tubs, and also it has a [307] front and rear entrance.

The kitchen equipment on the first floor was an old enamel metal sink, and a 4-burner gas range.

The building itself is structurally sound. The exterior porches, steps, windows, and trim show evidence of gross negligence and neglect.

The wooden members have deteriorated tremendously. Some have been replaced with new window sash and new glass.

The porch in the front and the steps have been somewhat repaired, that is to say, they have been raised and the risers have been supported, and it has apparently been in a state of almost collapse, and there are so many members that have to be replaced to support them.

The rear porch also shows evidence, as well as the rear steps and the stoop, of recent repairs, as evidenced by new lumber, which has not been well painted.

I was furnished also a number of housing notices, that is to say, those issued by the District of Columbia Government, the Department of Licenses and Inspection, Housing Division, of various and sundry violations which had occurred to the property.

These notices, most of them, were issued during the year 1963, which showed such things as replacing broken and missing glass in the basement front and rear doors; first floor storm door; first floor kitchen and dining room; and replace [308] sash cords as required.

Then it refers to sleeping rooms, center sleeping room, rear sleeping room, and also broken windows and replace, again, missing glass.

Repair defective flushing mechanism in water closet, and repair and replace missing and loose tile parts in bathroom walls.

Repair rear porch lattice frame, which has rotted parts.

Cover exposed wood surfaces in rear of premises with paint or other preservatives.

Repair and replace screens in front and rear of premises which are in disrepair.

Repair and replace defective hardware on front and rear exterior doors.

Repair and point up chimney, which has loose brick.

Repair sink in cooking room which has loose supporting tile parts and is not firm, and firmly attach to wall.

And repair porch.

Frankly, there were so many notices -- well, one more, to provide two separate electrical outlets, at least one of which shall be a wall or floor convenience outlet.

In the rear, second floor, east and south sleeping rooms.

With these, I also furnished a list, and I did [309] check the work that had been completed, mentioning the porch, and the rafters and the new sheathing boards, and naturally, painting the front porch and painting the rear.

Repairing the gutters and downspouts, which there is evidence they have been replaced and were new.

The roof, it had been painted, and it is evident that it is apparent comparatively new work.

There was a number of -- still in the house, a number of plaster repairs, and recent painting, that has been done there.

The tile in the bathroom had been replaced, and there had been a number of electrical outlets replaced.

There is a new furnace. This is evidenced by the new copper tubing. I understand that the previous furnace was a coal-fired furnace.

Q. And what is this one? A. A gas-fired boiler.

Q. Did you ascertain whether any plumbing repairs had been made since? A. There was notice of stopped up toilets in here, and there is evidence that at least one of the two new toilets had been replaced, I believe the one in the basement.

But the house apparently was in a very rundown condition.

Today it is, still, I would not call it anything [310] except fair at best, between poor and fair condition at this time.

Q. Now, Mr. Donohue, with the information that you were furnished and your own visual inspection, are you in a position to tell us, in your opinion, what the fair market value of this property was in September, 1962? A. Yes, sir.

Q. And what in your opinion was the fair market value of this property in September, 1962? A. \$9,000.

\* \* \*

#### CROSS EXAMINATION

BY MR. BONNER:

Q. \*\*\* Mr. Donohue, these notices to which you referred in your testimony as having come from the Department of Licenses and Inspections refer to work to be done in order to qualify as a rooming house, do they not? A. No, sir.

Q. Would these notices have been sent to a private dwellinghouse? A. Yes, sir.

\* \* \*

[311] Q. To someone who didn't need an occupancy permit to rent the place out? A. Yes, sir.

\* \* \*

#### [313] REDIRECT EXAMINATION

BY MR. MILLER:

Q. Mr. Donohue, when you made your inspections of this property and seeing the condition of the building, would you say that there was any evidence of vandalism on this property? A. No, sir.

Q. Did you observe whether any of the plumbing had been removed, such as radiators and so forth? A. No, sir.

\* \* \*

Q. Will you tell us, sir, when you observed it at that time whether the things that existed were as the result of apparent vandalism or just by deterioration and ordinary wear and tear? A. Well, at the time I first looked at it on the outside, I mentioned to him that the property had been neglected, that [314] even then the porches were in very poor condition, which is pretty good evidence that there was negligence of the property.

Q. You mean they were not making repairs as required? A. Just doing ordinary paint to preserve and maintain the premises.

Q. But that would not be vandalism? A. No, sir, that is just negligence.

Q. In not making the repairs and keeping it up? A. That is right; ordinary maintenance and repairs.

\* \* \*

THEODORE J. SCHEVE

\* \* \*

DIRECT EXAMINATION

BY MR. MILLER:

\* \* \*

[315] Q. Now, what is your business or occupation?

\* \* \*

A. I am in the contracting business, in home improvement work; and also I invest in real estate, and buy mortgages as an investment.

Q. Now, how long have you been in that business? A. Which business?

Q. In the business of home improvements? A. Approximately 8 years or 10 years.

Q. And how long have you been in the business of investing in buy-



ing mortgages and buying real estate, approximately? A. Ten years or so.

\* \* \*

Q. And the mortgages that you deal in and the real estate you deal in, do you do that for others or for yourself? A. For myself.

[316] Q. Now, do you know Mr. Alldridge? A. Yes.

Q. How long have you known him? A. Approximately 3 or 4 years.

Q. And has he ever worked for you as an employee? A. Never.  
(underscore supplied)

Q. Did he ever work for you as a real estate broker? A. Never.  
(underscore supplied)

Q. Or in any way working for you to acquire property for you? A. Never. (underscore supplied)

Q. Did you have any control over Mr. Alldridge in anything that he ever did? A. No. (underscore supplied)

Q. Did you ever have any real estate office or any kind of an office with him? A. No. (underscore supplied)

\* \* \*

Q. Do you recall how you first met him or became acquainted with him? [317] A. Well, when I am not too busy, I attend auctions, and sometimes I have settlements at the title company, and in that way, in a general way like that, or I may have met him through friends of mine, or met him at an auction, but that was the general way I met him.

Q. Now, will you tell the Court as best that you can recall what business activities or agreements or deals that you had with Mr. Alldridge for the last 3 or 4 years? A. My business dealings with Mr. Alldridge would come about when he might call me up on the phone and ask me to go look at a piece of property, and if I am interested, and maybe I am not even interested then, and then I will ask him if he has any details, and it depends on how busy I am, whether I am interested most of the time.

So that is generally the approach.

Q. How often would he get in touch with you and have this kind of conversation or approach to you to try to buy some property? A. Well, it would be sporadic. Sometimes he would be calling me up, if I have a deal with him, he will be calling me up, or I will call him up, and it might go on for 3 or 4 months, and then I may not hear from him for 6 months, unless something comes up where I want to get hold of him, or he wants to get hold of me, to see if I am interested in something.

Q. Now, Mr. Scheve, for the last 3 or 4 years, in this [318] activity with Mr. Alldridge, have you ever had any activity with any other persons of a similar character? A. Yes, sir, I have.

Q. Would you tell us some of the people that you have done the same kind of business with? A. Well, George Kalavritinos is one.

Q. Where is he located? A. He is located on Vermont Avenue, Northwest, I think it is near K Street. He has an office there.

Marty Himmelfarb, he and I bought a theatre together, but the theatre is in Dr. Greenstein and my name. He bought it but evidently he put it in Doc's name, his half.

Lou Bojan.

\* \* \*

A. I think he is also or was located on Vermont Avenue, Northwest, around K Street, but I am not exactly sure of his office, but it is between K and L.

And Mr. Unger.

Q. How do you spell the last name? A. U-n-g-e-r.

Q. And where is he located? [319] A. He is located on Vermont Avenue, Northwest, near K, and most of these people are in the real estate business and that seems to be the location.

\* \* \*

Q. Chris Collier? A. Yes.

Q. Where is he located? A. He is located on Kennedy Street, Northwest.

And Sylvan Mazo.

Q. Where is he located? A. I think he is located on L Street, near Fourteenth, Northwest.

And William Sperling.

Q. Do you know where he is located? A. I believe he has a printing plant on Ninth Street near New York Avenue.

\* \* \*

Q. Now, Mr. Scheve, these other persons you have mentioned, are they in the same kind of real estate activity that you are in? A. Yes.

Q. Do they submit properties to you also? [320] A. Yes. Some of them are brokers and some are speculators or investors.

Q. Have you bought more property or had business dealings with these other people more so than with Mr. Alldridge, or have you had more with Mr. Alldridge than these other individuals? A. Well, I have had more with these other people than I had with Mr. Alldridge.

Q. Could you give us to your best recollection how many real estate properties that Mr. Alldridge submitted to you prior to September, 1962, that you actually consummated?

\* \* \*

A. Well, maybe 3, 4, or 5, somewhere in there.

Q. Now, when these things are submitted to you by Mr. Alldridge, do you have any way of knowing or do you participate in anything as to how he acquired them or became acquainted with them? A. Generally, no.

\* \* \*

Q. Well, now, Mr. Scheve, in his method of acquiring these properties in what he does, do you in any way tell him [321] what to do or direct his activities? A. No, I do not.

Q. Have you any interest in it one way or the other? A. No, I have not.

Q. Do you pay him anything for trying to have this activity and locate property for you, if a deal doesn't go through? A. No, I do not. (underscore supplied)

Q. Now, getting to September, 1962, Mr. Alldridge contacted you about this 1348 Shepherd Street, Northwest? A. That is correct.

Q. And do you remember when he first contacted you to your best recollection? A. Well, to my best recollection, it was about the 22d or 23d I think, or 24th. It was one of those days, and he called me on the phone about the property.

Q. Did he then give you the address? A. He gave me the address, yes.

Q. Now, prior to that time that he called you, did you know anything about 1348 Shepherd Street, Northwest? A. No, I did not.

Q. Did you know it was being advertised for sale at auction? A. No, I didn't.

Q. Did you ever meet any of the people that owned it, [322] particularly Mr. Russell Lewis and his wife, Mabel Lewis? A. No, I did not.

Q. Had you ever met or knew Luevonía L. Gambrell or Ida Kay Floyd? A. No, I had not.

Q. Never spoke to them? A. No.

Q. Now, when he first approached you, did he tell you how he acquired knowledge or first contact with the property?

\* \* \*

THE WITNESS: He told me that he had made contact with these people and bought the property from them, and then he had made arrangements with them to rent it back to them, and that was the condition he had bought the property from them, and he told me that approximately \$8,000 was owed on the property, and he wanted to get out of the deal, and he didn't feel like it, because he said he didn't have enough money at that particular time to let lay around until he could get it refinanced, and he wanted to know if I was interested, and I said, Yes, I am interested, and he said, Go by and take a look.

Q. Did you go by and take a look?

\* \* \*

[323] A. Yes.

Q. When you went by, did you go into the house? A. No, I didn't.

Q. Did you talk to the Lewises at that time? A. No, I didn't.

Q. Now, at that time or the first time that Mr. Alldridge spoke to you, did you know anything about, or did he tell you anything what had happened at the title company and his acquiring this property?

\* \* \*

THE WITNESS: No, he didn't.

BY MR. MILLER:

Q. Did you know in any way how he acquired the property or what his interest was at that moment? A. What he told me how he acquired the property was that he bought this property from these people, but the condition was that he rent it back to them, and I would have to honor that obligation if I bought the property.

Q. Did he ever say anything to you in any way about that there was some discussion of refinancing of the property? A. No, he did not.

Q. Now, after you inspected the property, did you make a decision about accepting it from him? [324] A. Well, I asked him what the rent would be, and he said \$125 a month, and he told me the payments were \$105 a month, and I think it was around \$800, somewhere in that neighborhood that had to be put up to stop the sale of the property, and he told me that Frank Peroni would have to -- he was the trustee, and he would have to be paid in cash or certified check.

Q. Did you know Mr. Peroni? A. Yes, I did.

Q. Where was he located at that time? A. At the District Title Company.

Q. Was he an officer of that company? A. I think he is, or he was.

Q. Did you contact Mr. Peroni? A. Well, after I made the agreement with Mr. Alldridge then I contacted Mr. Peroni, and he asked me to either bring cash or a certified check down there.

\* \* \*

(The document was marked Defendant's Exhibit No. 12 for identification.)

BY MR. MILLER:

Q. Now, in seeing Mr. Peroni, did you then pay him \$752.23 and receive this receipt from him to stop the sale? A. That is correct.

Q. Now, at the time or up to the time you did that, the moment you spoke to Mr. Peroni, had you met the Lewises in any [325] way or ever talked to them? A. No, I had not.

Q. Did you ever talk to or meet the Gambrells or the Floyds? A. No, I had not.

Q. Now, when you paid that money, Mr. Scheve, had you received a deed from Mr. Alldridge or anybody else? A. No, I had not.

Q. Had you in any way participated in getting the deed signed? A. No, I had not.

Q. Did you know anything about how they were signed? A. No, I did not.

Q. Did you know who the Notary Public was on it? A. No, I did not.

Q. With respect to your conversation with Mr. Alldridge and the money you paid to Mr. Peroni, when were you to get the deed? A. Mr. Alldridge told me he had the deed to the property because he had bought the property, and I was supposed to get the property as soon as I made contact with Mr. Alldridge and stopped this here sale.

Q. Now, when you stopped the sale with Mr. Peroni, did you then contact Mr. Alldridge after that and get the deed? A. I contacted Mr. Alldridge and left a message at his [326] answering service, because I didn't get the deed right away, I mean, I didn't get it that exact day or the next day, but I kept calling him, because I had put the money up and I wanted my deed.

Q. Did you know who owned the property at that time or who had signed the deed? A. No, I did not; I don't think I did.

Q. When did you get the deed, do you remember? A. I think I got

it, let us see. I think I got one deed, oh, within about a week or so, somewhere around there, I guess it was about a week I got one deed.

Q. At the time you put the money up with Peroni, had you received any report on the title from anyone? A. No, I had not.

Q. At that time what did Mr. Alldridge inform you as to what encumbrances were on the property? A. He told me the first and second trust was approximately \$8,000.

Q. Now, you say there came a time that you received a deed? A. Yes.

Q. Did you have anything to do with giving any instruction to the title company in its preparation? A. No, I did not.

Q. Now, I show you what has been identified as [327] Defendant's Exhibit 3, is this the deed that he gave you? A. This is the deed.

Q. Now, did you make any inquiry from him as to the fact that this deed ran to you and your wife from the people? A. Well, I told him I was buying it from him, and he told the same thing, that regardless of who I was buying it from, he is transferring the property to me, otherwise, it would be double recording charges.

Q. Mr. Scheve, did he say anything to you at that time that when this deed was executed that the name of the grantee was blank and your name wasn't in it at the time? Did you know anything about that when he gave it to you? A. No, he didn't say that. I don't recall him saying anything to me at all.

\* \* \*

[328] Q. Now, Mr. Scheve, I show you this, and this deed here is recorded October 30th, which is approximately one month and 10 days after its date.

Could you tell us why it took so long to record that deed? A. I recorded this deed myself. I was aware, and Mr. Alldridge had told me he had a quitclaim deed also.

\* \* \*

[329] A. I knew that there was another deed, he told me that there was



a quitclaim deed also. He had explained after I had made the deal about, that the quitclaim, that the Lewises claimed they were the owners of the property, and he had a quitclaim deed also to this property, and I was asking for him to give me the quitclaim also, and that is one reason why I didn't record this deed because I was waiting for the other one, and finally I figured I better record this anyway.

\* \* \*

[330] A. He said he had it in his files or somewhere, and he just keeps forgetting to bring it, that is all.

Q. I show you what has been identified as Defendant's No. 4, this quitclaim deed, and did you have anything to do with giving instructions as to its preparation to anyone? A. No, I did not.

Q. Do you know in any manner how it was executed? A. No, I do not.

Q. And in connection with the fact that your name is in there as grantee, did you know when it was executed that the grantee's name was blank? A. No, I did not.

\* \* \*

[331] Q. Did you give any instructions with respect to either deed to leave the grantee's name blank when they were executed? A. No, I didn't.

Q. Now, did Mr. Alldridge tell you with respect to either of those deeds, at the time that he gave them to you, that the grantee's name had been originally left blank, and he filled your name in? Was there any discussion at all about that? A. The only discussion was, I asked him why if he was selling me the property, why his name wasn't there?

Q. What did he say? A. He said because it would be double recording.

\* \* \*

Q. How soon after you paid -- I don't think I have established this, Your Honor -- how soon after you paid Mr. [332] Peroni this 700 and some odd dollars, which is dated September 25th, do you remember re-

ceiving that first deed, Defendant's No. 3 for identification? A. I would say within about a week.

\* \* \*

Q. Now, how soon after that did you get the second deed, the quit-claim deed, marked for identification No. 4? A. That was quite some time later, afterwards.

Q. You had recorded No. 3 before you got No. 4? A. I recorded No. 3 before I got No. 4.

Q. I notice that No. 3 is recorded October 30th, and No. 4 is recorded November 16th, 1962; is that correct? A. That is correct.

Q. Now, Mr. Scheve, I show you what has been marked now for identification as Defendant's No. 9, which is a record title policy binder executed November 29th, 1962, by the Realty Title Company, addressed to Mr. Alldridge.

Did he give you that? A. Yes, he did.

Q. When, do you remember? A. Well, this was some time after I had bought the property and had gotten the deed to the property.

But he had told me verbally, before he gave me this, he had told me verbally that he got a verbal commitment or [333] something from Realty, and they said, I think he said that there was a third deed of trust on it.

Q. Now, did he give you that information before or after you paid Mr. Peroni the \$752? A. This is afterwards.

Q. Did he give you that information before or after he gave you the first deed? A. This was afterwards.

\* \* \*

Q. Then at the time that you said you would pay the money, if you knew that there was a third deed of trust on the property, would you have taken this deal? A. I would have not.

Q. When he mentioned this to you, that there was a third deed of trust, what was your conversation with him about it? A. Well, I raised cane with him about him telling me that he had already -- well, I asked

him if he had a title run down on the property, and I would like to see it, and he said verbally he had one, and there was two deeds of trust.

So afterwards I raised cane with him, and he said, Well, when they give you a verbal commitment a lot of times, there are errors, and I am just passing on to you what they told to me.

[334] He said it wasn't until they had made this thing up --

Q. Now, when you say this thing, that is for identification No. 9, the title report? A. Yes, sir.

Q. Now, Mr. Scheve, after you paid the money, did you contact Mr. Stathes about the payment book? A. Yes, sir, I did.

\* \* \*

(The document referred to was marked Defendant's Exhibit No. 13 for identification.)

BY MR. MILLER:

Q. And as a result of that conversation, did you receive this communication from him? A. Yes, sir, I did.

Q. And since that time have you had in your possession the first trust book and the second trust book? A. Yes, I have.

Q. Have you been making the payments on the first and second trust? A. Yes, I have.

\* \* \*

[335] Q. Now, Mr. Scheve, in connection with the rental of the property, you said it was to be rented back to him, did you have anything to do with the negotiations or with the arrangements concerning the rental with Mr. Lewis or Mrs. Lewis? A. I had no negotiations with them concerning the rental until after I received by Mr. Alldridge two rental agreements signed by the Lewises.

Q. Now, when you say you received two rental agreements, I refer you to Defendant's Exhibit No. 5 for identification and is that one of the rental agreements? A. That is correct.

Q. Was this in your handwriting? A. No.

Q. Did you have anything to do with its execution? A. No.

Q. Do you know where it was executed? A. No.

Q. Did you tell Mr. Alldridge what manner he should employ in getting it executed? A. No.

Q. You say that there were two of them submitted to you? A. That is correct.

Q. After he submitted the two to you, what did you do [336] with them? A. One of them I kept, and one of them I signed and returned to the Lewises with a note or letter of instruction, how they should pay me the rent.

Q. Now, up to that time, Mr. Scheve, had you met Mr. and Mrs. Lewis? A. No, I had not.

Q. When is the first time you talked to the Lewises, either by phone or in person? A. I believe it was somewhere in October of 1962 on the telephone.

Q. Now, incidentally, when you received the two rental agreements that you mentioned, and I know this was dated October 1st, 1962, could you recall the dates you received them both from Mr. Alldridge? A. I could not recall the exact date, but like I explained before, Mr. Alldridge is a difficult person to get hold of, and being that I knew that there was supposed to be a rental agreement I asked him where it was, and so it had to be after, I guess it had to be after the 1st of October, some time.

\* \* \*

Q. Did you ultimately receive the October payment? [337] A. Yes, I did.

Q. Who did you get it from?

\* \* \*

A. Yes, I got it from Mr. Lewis.

\* \* \*

Q. He didn't give it to you in person? A. No, sir.

Q. Now, with respect to the November rent, was that paid on the 1st of November? A. No, it wasn't.

Q. Now, as a result of that did you write any letters to Mr. Lewis about his November rent?

\* \* \*

A. It was about the delinquency in the rent.

\* \* \*

[338] Q. Did you receive it before November 16th, 1962? A. I am not going to be positive about the date, but I will say that according to my recollection, that before I received it, I had got a Landlord and Tenant case out against Mr. Lewis, and then I received it after I had got the summons out.

Q. Is this the Landlord and Tenant paper that you referred to, which is marked for identification Defendant's No. 6, filed on November 16, 1962? A. That is correct.

Q. And when you filed it, you filed it in the normal fashion, with a copy for each of the two defendants? A. That is correct.

Q. Now, the case was returnable in Court on November 30th, and on November 30th the record shows that you dismissed the case; is that correct? A. That is correct.

\* \* \*

[339] A. I have here a receipt that I sent to Mr. Lewis dated November 20th, 1962.

Q. How much was the receipt for? A. The receipt was for \$125, and I have here, owed \$4.25 for charged, plus 125 -- and I got here, \$125 paid, \$4.25 balance owed on the Court costs.

Q. Is that the \$4.25 mentioned in the summons part of the complaint? A. That is correct.

Q. Did you ever receive that? A. No, I did not.

Q. Now, with respect to the December rent, Mr. Scheve, did you have to file a Landlord and Tenant summons on that? A. I believe I did.

Q. And I refer you then to Defendant's Exhibit No. 7 for identification and ask you whether or not that is the one filed on December 17th, 1962? A. That is correct.

Q. And did you receive the December rent?

\* \* \*

[340] Q. I show you this receipt, which has been marked as Plaintiff's Exhibit No. 1, and ask you whether or not that is not in your own handwriting? A. This is in my handwriting.

Q. And what date did you receive it? A. December 18th, and the Court costs are also owed for this one, too.

Q. How much was the total Court costs that is owed to you up to that date?

\* \* \*

A. \$8.50.

Q. Now, there is a notation on the top here, Costs are still owed, please remit.

Is that in your handwriting? A. That is in my handwriting.

Q. Did he ever remit the costs? A. No, he did not.

Q. I notice on the back of the paper on the case returnable December 31st, it shows a default judgment entered for costs only? A. That is correct.

Q. Is that the costs that you are referring to? A. Yes, sir, it is.

Q. Did you have any discussions with Mr. Lewis about [341] these court costs? A. Yes, I did, and he promised to pay me. That is one reason why on the first summons that I got out for him in November I didn't ask for Court costs, because he had promised to pay it.

\* \* \*

Q. Suppose you look at Plaintiff's Exhibit 1-B for identification, and I will ask you whether this is in your handwriting? A. This is in my handwriting.

Q. Does that help to refresh your memory as to the January rent? A. Yes.

Q. And when did you receive that? A. I received this January 3d.

Q. Now, I notice on the top of it, it says, Balance owed for costs

for Landlord and Tenant suit. Is that in your handwriting? A. That is in my handwriting.

\* \* \*

Q. Now, then, on this file, which is marked for identification [342] Defendant's Exhibit No. 7, it shows in the file the issuance of a writ of restitution February 14, 1963.

Now, I show you Plaintiff's Exhibit 1-C for identification and ask you from looking at that whether or not on February 14, 1963, you had received the previous Court costs and the February, 1963, rent? A. When I got this writ of restitution out, I had received neither one, either the Court costs or the rent.

Q. Is that the reason you filed the writ of restitution? A. Yes, it is.

Q. And referring now to Exhibit 1-C of the Plaintiff's, did you receive the February rent? A. This receipt is February 17th, when I received \$80, which was not the rent for the full month.

Q. I notice on the receipt a statement, \$61 balance to be paid before February 25th, 1963, eviction to be stayed from one week from date of February 17, 1963.

Did you put that in your handwriting? A. That is correct.

\* \* \*

[343] Q. Is this the receipt for the \$61 in March, which is Plaintiff's Exhibit 1-D for identification, for which you gave him a receipt? A. That is correct.

Q. And this was paid March 11th? A. March 11th.

Q. At that time did he owe the March rent? A. Yes, he did.

Q. And did he ever pay the March, 1963, rent? A. No, he did not.

Q. Now, this record, Defendant's Exhibit No. 7 for identification, shows that on April 1st, 1963, another writ of restitution was issued in this same case.

Do you recall that? A. Yes, I do.



Q. Did you request the Marshal to send out the notice? A. Yes, I did.

\* \* \*

Q. Did you hear from Mr. Lewis after it was sent out? A. Yes, I did.

\* \* \*

[344] A. April 1st, I think if I am not mistaken, April 1st, or the first part of April, I came home, and there was \$100 in cash in an envelope laying in my foyer, and it was from Mr. Lewis, it had Mr. Lewis.

Q. Did you call him and speak to him about it? A. I called him, and I told Mr. Lewis that I could not continue doing business like this, and that if he could not pay the rent on time, or reasonably, in the same month, at any rate, that he would have to find another place.

I said: Now, you find another place, and this hundred dollars that you paid towards the rent, I will put up for your first month's rent wherever you find it, and I think either that night or the next night, it was shortly after I talked to him, he told me he had found a place, and he gave me the address, and it was on T Street, right off Thirteenth, Northwest, and the exact address I don't know right now, and I took the hundred dollars in cash and gave it to a Mrs. Pruitt, and she seemed to know all about it, and she was expecting it, and she told me I had to get it up to her, because he had promised her the money that night, and I took it up, it was in the evening, nighttime, and Mrs. Pruitt gave me a receipt for the rent received, and I believe, if I am not mistaken, it was the first part of April, maybe the 2d day of April.

MR. BONNER: We make no issue, if you want to [345] stipulate that, Mr. Miller.

THE COURT: Well, will you stipulate, both parties stipulate that this Mrs. Pruitt -- is that the name --

THE WITNESS: Yes, sir, I think that is correct.

THE COURT: Gave the defendant a receipt for \$100 received by her on April 2d, 1963, for Mr. Lewis?

MR. BONNER: I will be glad to.

\* \* \*

BY MR. MILLER:

Q. Now, had Mr. Lewis paid the April rent to you? A. No, he had not paid the April rent. He had not even finished paying the March rent.

Q. Now, when you paid Mrs. Pruitt this hundred dollars did he move out? A. No, he did not.

Q. Now, on April 12, 1963, did you then cause another writ of restitution to be issued in this same case? A. Yes, sir, I did.

Q. And did you go up with a Marshal to put Mr. Lewis out?

\* \* \*

A. Yes, I did.

\* \* \*

[346] Q. Did you ever get the hundred dollars back from Mrs. Pruitt? A. No, I did not.

\* \* \*

[347] (The document was marked Defendant's Exhibit No. 14 for identification.)

\* \* \*

[348] BY MR. MILLER:

Q. Is this the receipt that you got from Mrs. Pruitt? A. This is the receipt.

Q. Now, Mr. Scheve, at any time in your conversations up to the time that you evicted the Lewises from this property, at any time up to that point did Mr. Lewis ever write you a letter, call you on the phone, or in your conversations in person, ever tell you that he owned the property and that the property was supposed to have been refinanced by Mr. Alldridge? A. Never.

Q. When is the first time you heard that there was some discussion about refinancing the property by Mr. Alldridge? A. As far as I can recall, it was right down here in the courtroom.

Q. At any time up to the time that you evicted Mr. Lewis, did Mr.

Lewis ever make any objection to the fact that he was a leasehold tenant and paying rent on the property to you of \$125 a month? A. Never.

Q. At any time up to the time you evicted Mr. Lewis, have you heard of Mrs. Luevonía L. Gambrell?

\* \* \*

A. Never talked to them.

[349] Q. And with respect to Ida Kay Floyd? A. Never talked to her, never saw her.

Q. Did anybody ever inform you up to the time of the execution of the writ of restitution that Mrs. Gambrell and Mrs. Floyd had \$600 coming to them, and they were suppose to get it out of this deal? A. Never.

Q. Now, Mr. Scheve, you started to tell us that you had a conversation with Mr. Kehoe? A. That is correct.

\* \* \*

Q. Will you tell us to your best recollection when it was? A. It was the early part of April.

Q. What year? A. 1963.

Q. Was this before or after you evicted Mr. Lewis? A. This was before I evicted Mr. Lewis.

Q. Tell us how soon before? A. I would say maybe 4 days to a week before.

Q. Did you know Mr. Kehoe before this call? A. Never knew him before.

Q. Will you please tell us what your conversation was?

\* \* \*

[350] A. He told me he was an attorney, and he was calling about Lewis, \*\*\*

\* \* \*

A. I told him I bought the property from Mr. Alldridge. \*\*\*

He said: Well, where can I locate Mr. Alldridge?

I said: Well, I don't know where you are going to locate him, but he has an answering service, \*\*\*

[351] Mr. Alldridge called me, and I told him that Mr. Kehoe called and was saying that he wanted to find out how I acquired the property. \*\*\*

\* \* \*

Q. \*\*\* Now, after you had this conversation, did Mr. Kehoe ever call you again before this suit was filed? A. Mr. Kehoe, I don't believe, ever called me on the phone, no.

Q. Did he ever write you a letter of any kind? A. \* \* \* I think either Mr. Kehoe or Mr. Bonner wrote me a letter \* \* \*

\* \* \*

[352] Q. Now, Mr. Scheve, after the Lewises were out of the property, did you then go through the property? A. Yes, I did.

Q. Is that the first time you saw the interior of it? A. That is right.

Q. And with respect to the rear of it, is that the first time you inspected the rear? A. That is correct.

Q. Will you tell us briefly what the physical condition [353] of the property was when you got possession of it? A. The property was loaded with debris, and when I mean debris, I mean a lot of papers and bags and things like that all over the property.

There were cobwebs all over the property, the plaster was falling down in the living room, and there is still evidence of that.

There was leaks in the bathroom.

The furnace was loaded with ashes, and you could not burn anything in there, and later on when I finally got it cleaned out, the grates in the boiler, it was gone, it was a coal-fired boiler.

There was window glasses that were busted, and sash cords.

There was an odor in the back of the property that the neighbors complained about, and it was very evident it smelled of urine, and afterwards I went to considerable trouble to try to correct that.

I think it was coming from the basement toilet, where it was supposed to be a toilet there, but the toilet wasn't there, and it was setting somewhere else in the basement, it was broken, and there was just a hole there where the plumbing was, and the plumbing lines weren't even running to where the toilet would be, you know, the plumbing, the water that flushes the toilet.

[354] The chimney, well, these things came later when the Inspector came out, I didn't notice it right away, but the front porch roof was leaking terribly and was causing damage to the front porch itself.

The front porch ceiling was badly in need of repair. The downspouts were off.

The window glass looked like it had been broken a long time, because you could tell the crust over the panes, and even in the broken places, the crust was there.

And the kitchen sink was hanging off the wall, and it is a wonder it didn't fall off, and it looked like the only thing was holding it up was the trap that goes under the kitchen sink. It is one of these small wall kitchen sinks attached to the wall.

The tile that was on one side of the kitchen sink was coming off the wall, it was all loose.

And the gas stove immediately was condemned by the Gas Company.

And the shades, there just weren't any shades or anything, but there was some broken ones.

And the front door, the storm door, the hardware in the place, the door handles and things like that, they were in bad shape, and they had a nail in there for a handle or didn't have any at all.

It was crummy.

[355] Q. What was the condition of the exterior woodwork? A. The exterior woodwork, it looked very dry, and it was so dry that it blistered, I mean, whatever paint was there was blistered paint, so it was right down to the bare wood.

Q. What was the condition of the paint on the exterior? A. Well,

the paint that was on the exterior was blistered so it was right down to the bare wood, there wasn't any paint. In other words, what I am trying to say, the only paint was blistered paint, and the rest was down to bare wood, and there wasn't any paint on it.

Q. What was the condition of the interior floors? A. The interior floors were, well, they were Parquet, I guess you can call them -- I wouldn't call them fair, I would call it poor.

Q. What was the condition of the interior walls and paint and paper on the interior? A. Well, from the front porch roof that needed repair, there had been a leak into the main living room, and that plaster up there was all crumbly, and when plaster gets wet it looks like it oxidizes and forms a crust like, and all that one wall there was all deteriorated, and the paint, it was, like I say, it was just dirty and crummy, and I had to get the exterminators first in there before I would even think of anybody going in there.

Q. Now, after they got out, how long was the property [356] vacant?

\* \* \*

A. I would say it was about two weeks.

Q. And during those two weeks, were you doing any work in the property? A. Yes, I was out there every day.

\* \* \*

A. \*\*\* I improved the property. I was up there every day trying to do so, and I was trying to keep it from deteriorating more by fixing the outside, where it was causing the deterioration on the inside.

Q. Was the property occupied ever since that time? A. Well, not ever since that time, but most of the time.

The man that rented it, from the recommendation of the nextdoor neighbor, who knew the man, he come up there, and I told him if he rented it then, he would have to rent it as is, and he would have to make the repairs, because I would not have time to keep running up there while he was occupying the house and trying to make repairs.

[357] Q. How long did he stay there? A. He stayed there approxi-

mately a month and a half or two months, but his stay was very, very bad also.

Q. Mr. Scheve, when he vacated, was the house in worse condition than when he moved in or better? A. When he vacated, it was about the same.

\* \* \*

Q. How long was it vacant? A. Well, after the other gentleman left, let us see, that was April, and I would say it was vacant June and July, and maybe not all -- it may not have been all June, but part of June and July.

Q. During that time, did you have any work done on the property when it was vacant the second time? A. Yes, I had considerable work done, because I started to get notices from the District Housing Division.

Q. Did you put in a new heating plant? A. I put in a new heating plant, \* \* \*

\* \* \*

[358] Q. How about plumbing? Did you do any plumbing work? A. I first had to clear that line down in the basement, where I thought the odor was coming from, and then I installed new water lines, and put in a new commode down in the basement, and put on a door down where the commode was located in that closet.

And then the upstairs was leaking, and I didn't know exactly, I thought it was the commode, and it wasn't, but I thought it was the commode anyway at first and so I think I put a new commode in there, or a secondhand commode in there, I am not positive which, but I replaced the commode that was in there.

And the tile that was on the bathroom walls was loose and some of it was falling off, and I had to look around and try to match the tile that was on there and have it replaced.

And the radiator in the bathroom was leaking and causing some damage to the plaster in the living room, and I had the plumber go up



there and try to fix it, I think he fixed it, although I think that there is a leak back there now.

\* \* \*

A. The sash cords in almost every window, the windows had to be taken out to replace the sash cords, and this was on orders from the Housing Inspector.

Q. Do you have a list of the Housing notices sent or [359] given to you? A. Yes, I do.

\* \* \*

MR. MILLER: I will offer them as an exhibit for identification, Your Honor.

(The documents were marked as Defendant's Exhibit No. 16 for identification.)

\* \* \*

[360] CROSS EXAMINATION

BY MR. BONNER:

\* \* \*

[362] Q. Well, are you claiming that as a loss, that \$100? A. It is a loss to the extent that I never received it back when I put it up for him.

Q. Then, sir, did you give him credit for a hundred dollars payment on the rent for the month of April? A. I didn't give him credit for the hundred dollars in any way, shape, or form in writing at all, and to begin with, I had taken the hundred dollars and put it up for his rent.

Q. Well, did you apply the hundred dollars on the amount of money that he owed you?

A. \*\*\* no.

\* \* \*

[363] Q. Now, I am reading you, Mr. Scheve, from page 6 of the pretrial order by the Pretrial Examiner which was made in this case, and it states:

Defendants state that they had invested in the property the following amounts:

Paid to Mr. Alldridge in reimbursement of cash down payment on purchase, \$50.

Has that money been paid, sir? [364] A. That money has been paid.

\* \* \*

Q. And the second claim: Arrears on second trust and foreclosure costs paid at time of purchase.

That has been paid, has it not? A. Yes.

Q. Again I am quoting, sir: Acquisition of second trust note, \$5,192.54.

Has that been paid? A. That is being paid on at the rate of \$35 a month, and I think that was the terms of the second trust note.

Q. You assumed the second trust note? Is that what happened?  
A. That is correct.

Q. You didn't write a new note? A. No.

Q. Then it says: Acquisition of third trust note, \$1,350.

Has that been paid? A. No, sir; I don't even know who has the third trust note.

Q. How do you know that there is a third trust note? [365] A. According to the records of the title report, there is a third trust of \$1,000, that was put on when the property was purchased in 1950. It was put on by the Lewises, according to the record, and the Kalvritinoses had something to do with it according to the record.

\* \* \*

[370] Q. And do you have the advertisement with you or in your files as to the foreclosure of the Lewis property? A. No, I don't think I do. I don't think I ever saw that advertised.

Q. The only information then you had would come from Mr. Alldridge when he talked to you? A. That is correct.

Q. And Mr. Alldridge at that time, did he tell you he had bought

the property? A. He told me he had bought the property when I first talked to him about it.

\* \* \*

Q. Did he describe the property he had purchased? A. He told me it was up on Shepherd Street, and he gave [371] me the address and told me to go and take a look at it.

Q. Did you look at the outside of it? A. Yes, I did.

Q. You had no idea what the inside was like? A. That is for sure.

\* \* \*

Q. Did he tell you that he had leased the property to someone? A. He told me that it was conditioned upon a rental agreement with the people that were living in the property.

\* \* \*

[383]

BY MR. BONNER:

Q. Mr. Scheve, did you become irked at Mr. Alldridge as a result of this matter, this deal? A. Yes, I was upset about that third trust.

Q. Could you fix the time as to what month it was when you were upset, sir?

\* \* \*

Q. Would it refresh your recollection if we say that this binder is dated in November, I believe the 19th or the 21st, would it be about that time? A. It might even have been a little before that time [384] because I think before I got that binder that he told me about that third trust, that he had found out that there was a third trust, and I think he said he had a verbal report or had seen the binder or something.

\* \* \*

[386] Q. You mentioned that two days you think about two days before the eviction actually took place you talked to Mr. Kehoe. Did he call you at your home? A. Mr. Kehoe called me at my home, and it was in the evening, about a half an hour or so after I talked to Mr. Lewis.

\* \* \*

Q. Is there any reason why you would have refused to [387] give that information? A. There would be no reason.

\* \* \*

Q. Did Mr. Kehoe suggest to you that in view of the fact that there was a claim on title that it might be well to withhold the eviction until it could be straightened out? A. Mr. Kehoe didn't make any suggestion. I told Mr. Kehoe if he had any discussion, that I had bought the property from Mr. Alldridge, and he should discuss it with Mr. Alldridge, and I gave Mr. Kehoe his number, and subsequently I think I tried to get hold of Mr. Alldridge to explain what the situation was.

Q. You gave Mr. Kehoe Mr. Alldridge's telephone number? A. As far as I can remember, he asked me how to get hold of him, and I told him the only way I know how to get hold of him is call his number.

Q. And you left it at that as far as Kehoe is concerned? A. Mr. Kehoe I don't believe ever contacted me again.

Q. So then you say a half hour later you called Mr. Alldridge? A. I called him the same evening.

Q. As a result of the call from Kehoe? A. That is right.

\* \* \*

[388] A. I left a message at the answering service, and exactly what I left there, I may have indicated that Mr. Kehoe had called regarding 1348 Shepherd Street and would like to talk to him.

Q. Now, sir, again with regard to your counterclaim for a thousand dollars in this case, how do you figure the thousand dollar counterclaim?

\* \* \*

A. I would like to counterclaim to whatever I am entitled to. Now, that I don't know what I think I am entitled to.

\* \* \*

[389] A. Well, I am making a claim for whatever I am entitled to. I am going to ask my lawyer what I am entitled to.

\* \* \*

BY MR. MILLER:

Q. Mr. Scheve, when you had your conversation with Mr. Kehoe, did he offer to make any payments on behalf of the Lewises or say the Lewises were ready to make any payment to you of any kind?

\* \* \*

[390] MR. MILLER: I assume my exhibits are admitted, Your Honor?

THE COURT: They will be admitted.

MR. BONNER: I have no objection, Your Honor.

(The documents previously marked for identification as Defendant's Exhibits 1 through 16 were received in evidence.)

\* \* \*

EDWARD T. KEHOE

\* \* \*

DIRECT EXAMINATION

BY MR. BONNER:

\* \* \*

Q. And your occupation? A. Lawyer, attorney.

Q. For how long? A. Fourteen years.

\* \* \*

Q. Did there come a time when you talked to Mr. Scheve? A. Yes, I did.

Q. Can you fix the approximate date of that conversation? [391]

A. The best I can fix it, it was in April, 3 or 4 days prior to the actual eviction, while the eviction notice was pending.

\* \* \*

[393] Q. Well, what happened after that conversation with Mr. Scheve? A. Well, an hour or 45 minutes later I got a call from Mr. Alldridge.

\* \* \*

A. Well, as Mr. Alldridge indicated, I told him the conclusions that I

had come to after talking to Mr. Lewis, and I asked him what he proposed to do about it, and he offered to come to my office the next day, and I made an appointment to talk to him in person, and bring the papers he had with him, at noontime the next day.

Q. Did you see him the next day? A. Yes, he came to the office, and he was waiting for me when I got back to the office at noontime.

\* \* \*

[394] CROSS EXAMINATION

BY MR. MILLER:

Q. Mr. Kehoe, you didn't get a card -- I will ask this be marked for identification.

(The document was marked Defendant's Exhibit No. 17 for identification.)

\* \* \*

[395] BY MR. MILLER:

Q. You had a letter from the United States Marshal showing the impending eviction? A. I believe that is what I had in front of me.

\* \* \*

Q. Was this the paper that you read from when you spoke to Mr. Sheve? [396] A. I don't recall.

THE COURT: Has that been marked?

MR. MILLER: I am going to offer it, Your Honor.

\* \* \*

(The document referred to was marked Defendant's Exhibit No. 18 for identification and received in evidence.)

\* \* \*

[397] BY MR. MILLER:

Q. Now, when you spoke to Mr. Scheve and had a conversation that you told us in your direct examination, had you been to the Recorder of Deeds' office to examine these two deeds? A. No, I had not.

Q. Did you ever examine them before you filed the suit? A. Yes. Well, no, I don't believe I did. I believe Mr. Bonner did.

Q. You know now, do you not, that the deeds shows that it was witnessed by Robert Alldridge? You have seen that, haven't you? A. Yes, I have.

Q. In fact, you have gotten photostatic copies of them? A. Yes.

Q. Before you spoke to Mr. Scheve, did you go to the title company to make any inquiries about this case? [398] A. No, not before I talked to Mr. Scheve.

Q. Did you ever attempt to get in touch with Mr. Alonzo? A. No, I did not.

Q. I take it, Mr. Kehoe, that you did not file any pleadings of any kind in the District of Columbia Court of General Sessions in Landlord and Tenant Case No. 91,583-62 before the eviction? A. No, I did not.

Q. Before or after the eviction? A. No, I did not.

\* \* \*



## DEFENDANTS' EXHIBIT 1

CONSOLIDATED PROPERTIES  
 3902 KNOWLES AVENUE ~~1217 N STREET, N.W.~~  
 KENSINGTON, MARYLAND ~~Washington, D.C.~~  
 EX-3-2900

Dear Mr. Lewis Aug 2 1962  
Recent payments totaling \$ 280.00 on your (rent/note)  
 for your property at 1348 Shepley St NW  
 are past due.

Please see that these payments are made within three (3) days  
to this office, otherwise legal action will be taken.

Please call this office right away. This is your final notice.

*Since you did not make your payment as promised we have no recourse but to start legal action for re-possession of this property.*

Respectfully yours,

CONSOLIDATED PROPERTIES.

[Defendants' Ex. 1A]

*Costs are allowed, Dec 12 1962*

RENT RECEIPT	Received From <u>Mr &amp; Mrs Lewis</u>
	<u>One Hundred Twenty five</u> <sup>100</sup> <u>Dollars for</u>
	<u>Rent of 1348 Shepley St. N.W. No.</u> <u>Street</u>
	<u>From 12-1-62 To 1-1-63</u> <u>19</u>
	<u>\$125.00</u> <u>J. J. Schieve</u>
Made in U. S. A.	

## [Defendants' Ex. 1B]

RENT RECEIPT	Balance owed costs for <u>Jan 3 1963</u>		
	landlord & tenant suit		
	Received From <u>Mrs &amp; Mrs Lewis</u>		
	<u>One Hundred Twenty five</u> Dollars for		
	Rent of <u>1348 Shepherd St. N.W. No. 100</u> Street		
	From <u>1-1-63</u>	To <u>2-1-63</u>	19 <u>63</u>
	<u>\$ 125.00</u> <u>T. J. Schewe</u>		
	Made in U. S. A.		

## [Defendants' Ex. 1C]

RENT RECEIPT	Eviction to be started for one <u>Feb 17 1963</u>		
	week from date of <u>Feb 17, 1963</u>		
	Received From <u>Russell Lewis</u>		
	<u>Eighty</u> Dollars for		
	Rent of <u>1348 Shepherd St N.W. No. 100</u> Street		
	From <u>Feb 1, 1963</u>	To <u>March 1, 1963</u>	19 <u>63</u>
	<u>141.00</u> owed		
	<u>\$ 80.00</u> paid		
	Made in U. S. A.		

\$ 61.00 but to be paid before Feb 25, 1963

## [Defendants' Ex. 1D]

<u>March 11</u>		19 <u>63</u>
Received of <u>Russell Lewis</u>		
<u>Sixty one</u>		Dollars
Bal of rent owed from <u>Feb 1 to March 1, 1963</u>		
<u>\$ 61.00</u>		<u>T. J. Schewe</u>
MADE IN U. S. A.		

DEFENDANT'S  
EXHIBIT,  
NO. 2

N.P.C. Form No. 101

# Sales Contract

DISTRICT OF COLUMBIA

ca 1417-63  
Sept. 20, 1962

Received from Robert Alldridge

a deposit of Fifty Dollars (Cash) (\$50.00) (Check) (\$50.00)  
to be applied as part payment of the purchase of Lot 1348 in Square Shepherd St. NW with  
improvements thereon known as No. 1348 in the District of  
Columbia, upon the following terms of sale:

(1) Total price of property app. Eight Thousand Dollars (8000)

(2) The purchaser agrees to pay Fifty Dollars (\$50.00)

cash at the date of conveyance, of which sum this deposit shall be a part.

(3) The purchaser is to assume, give, place, take title subject to a first deed of trust secured on  
the premises of app. Two Thousand four hundred Dollars (\$2400 app.)

due 1962, bearing interest at the rate of 6 per cent  
per annum, payable monthly

(4) The balance of deferred purchase money is to be secured by a deed of trust on said  
property, to be paid in monthly installments of app. \$500 Dollars (\$500)  
or more, including interest at the rate of 6 per cent per annum, each installment when so  
paid to be applied, first, to the payment of interest on the amount of principal remaining unpaid  
and the balance thereof credited to principal.

Purchaser also to assume 2nd TR. in amt. of app. \$500

(6) Trustees in all deeds of trust are to be named by the parties secured thereby.

(6) The property is sold free of encumbrances except as aforesaid, title is to be good of record and in fact, subject, however, to covenants, conditions, and restrictions of record, if any; otherwise said deposit is to be returned and sale declared off at the option of the purchaser unless the defects are of such character that they may readily be remedied by legal action, but the seller and agent are hereby expressly released from all liability for damages by reason of any defect in the title. In case legal steps are necessary to perfect the title, such action must be taken by the seller promptly at his own expense, whereupon the time herein specified for full settlement by the purchaser will thereby be extended for the period necessary for such prompt action.

(7) Rents, taxes, water rent, insurance and interest on existing encumbrances, if any, and operating charges are to be adjusted to the date of the transfer. Taxes, general and special, are to be adjusted according to the certificate of taxes issued by the Collector of Taxes of the District of Columbia, except that assessments for improvements completed prior to the date hereof, whether assessment therefor has been levied or not, shall be paid by the seller or allowance made therefor at the time of transfer.

(8) Examination of title, tax certificate, conveyancing, notary fees and all recording charges, including those for purchase money trust if any, are to be at the cost of the purchaser; provided, however, that if upon examination the title should be found defective the seller hereby agrees to pay the cost of examination of the title and also to pay to the agent herein a commission hereinafter provided for just as though the sale had actually been consummated and all the terms of this contract complied with.

(9) Within 2 days from the date of acceptance hereof by the owner, or as soon thereafter as a report on the title can be secured if promptly ordered, the seller and purchaser are required and agree to make full settlement in accordance with the terms hereof. If the purchaser shall fail so to do, the deposit herein provided for may be forfeited at the option of the seller, in which event the purchaser shall be relieved from further liability hereunder, or without forfeiting the said deposit the seller may avail himself of any legal or equitable rights which he may have under this contract. In the event of the forfeiture of the deposit, the seller shall allow the agent one-half thereof as a compensation for his services to him.

(10) Settlement is to be made at the office of \_\_\_\_\_ (Name of Broker) or at the Title Company searching the title, and deposit with the Title Company or with \_\_\_\_\_ (Name of Broker)

of the purchase money, the deed of conveyance for execution and such other papers as are required of either party by the terms of this contract shall be considered good and sufficient tender of performance of the terms hereof.

(11) Seller agrees to execute the usual special warranty deed. Property is sold subject to an existing tenancy as follows: occupied by Mrs. Russell Lewis, as tenant of purchaser to be here.

Seller agrees to give possession at time of settlement, and in the event he shall fail so to do he shall become and be thereafter a tenant by sufferance of the purchaser and hereby waives all notice to quit, as provided by the laws of the District of Columbia. (Strike one of the two foregoing sentences.)

(12) The risk of loss or damage to said property by fire or other casualty until the deed of conveyance is recorded is assumed by the seller.

(13) All notices of violations of Municipal orders or requirements noted or issued by any department of the District of Columbia, or prosecutions in any of the courts of the District of Columbia on account thereof against or affecting the property at the date of the settlement of this contract shall be complied with by the seller and the property conveyed free thereof. This provision shall survive the delivery of the deed hereunder.

(14) The seller agrees to pay to \_\_\_\_\_ (Name of Broker) \_\_\_\_\_ (%), and the Title Company, or the Real Estate Office, through which settlement is made is hereby authorized and directed to make deduction of the aforesaid commission from the proceeds of the sale and to make payment thereof to the said agent. Entire deposit to be held by \_\_\_\_\_ (Name of Broker) until settlement hereunder is made.

(15) The principals to this contract mutually agree that it shall be binding upon their respective heirs, executors, administrators or assigns.

(16) This contract, made in triplicate, when ratified by the seller contains the final and entire agreement between the parties hereto and they shall not be bound by any terms, conditions, statements or representations, oral or written, not herein contained.

We, the undersigned, hereby ratify, accept and agree to the above memorandum of sale and acknowledge it to be our contract.

Property is to be conveyed in the name of \_\_\_\_\_ to be designated by purchaser.

Sept 20 1962  
Sept 20 1962

Robert C. Lewis Purchaser  
Sharon S. Lewis Seller  
Ida Kay Lewis Wife of Seller

Russell Lewis  
Sharon Lewis

John L. Lloyd

3 42071115

122

OCT 30 12 20 PM '68 BOOK

PAGE

# This Deed

11893 301

Made this 20<sup>th</sup> day of September in the year 1962  
by and between Luevonia L. Gambrell and Ida K. Floyd, as Joint Tenants

parties of the first part, and

Theodore J. Scheve and wife Geraldine E. Scheve

parties of the second part:

FILED

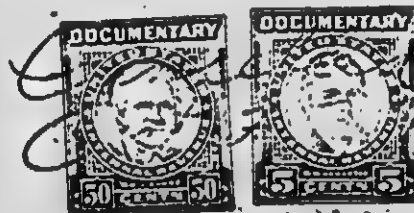
NOV 5 1962

HARRY M. HULL, Clerk



Witnesseth, that for and in consideration of the sum of Ten Dollars (\$10.00), receipt whereof is hereby acknowledged, the said party of the first part does grant unto the said parties of the second part, in fee simple, as tenants by the entirety the following described land and premises, situate in the District of Columbia and known and distinguished as

Lot numbered Sixty (60) in Jacob S. Gruver's subdivision of lots in Square numbered Twenty-eight Hundred Twenty-four (2824), as per plat recorded in Liber 50 at folio 200 in the Office of the Surveyor for the District of Columbia.



Together with all and singular the ways, easements, rights, privileges and appurtenances to the same belonging or in anywise appertaining, and all the estate, right, title, interest, and claim, either at law or in equity, or otherwise however, of the said party of the first part, of, in, to, or out of the said land and premises.

And the said parties of the first part covenant that they will warrant specially the property hereby conveyed; and that they will execute such further assurances of said land as may be requisite.

Witness their hands and seals the day and year first hereinbefore written.

Witness:

Robert H. Aldridge

Luevonia L. Gambrell [SEAL]

Ida K. Floyd [SEAL]

.....  
DISTRICT OF COLUMBIA.....to wit:

BOOK PAGE  
11893 302

I, Richard M. Alonso.....a Notary Public in and for  
the said District.....DO HEREBY CERTIFY that

Luevonia L. Gambrell and Ida K. Floyd  
date on the 20<sup>th</sup> day of September 1962, and hereto annexed,  
personally appeared before me in said.....District....., the said

Luevonia L. Gambrell and Ida K. Floyd  
being personally well known to me as the person who  
executed the said Deed, and acknowledged the same to be their act and deed.

Given under my hand and seal this 20<sup>th</sup> day of September 1962  
Richard M. Alonso  
Notary Public.



[Back of Defendants' Ex. No. 3]



No. \_\_\_\_\_ of \_\_\_\_\_ P. S. \$ \_\_\_\_\_  
 S. S. \$ \_\_\_\_\_ T. T. \_\_\_\_\_

# Deed in Fee

FROM

Luevonia L. Gambrell

Ida K. Floyd

To

Theodore J. Scheve and wife

Geraldine E. Scheve

Received for Record on the \_\_\_\_\_ day  
 of \_\_\_\_\_, A. D. 19\_\_\_\_,  
 at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and recorded in  
 Liber No. 11893 at Folio 301, et seq.,  
 one of the Land Records for  
the District of Columbia

Wm. S. Ridley Recorder.

**Realty Title Insurance Company, Inc.**

WASHINGTON OFFICES  
 1424 K STREET, N.W.  
 8301 WISCONSIN AVENUE, N. W.  
 709 KENNEDY STREET, N.W.

SILVER SPRING OFFICE  
 1007 BONIFANT STREET

HYATTSVILLE OFFICE  
 8303 BALTIMORE AVENUE

DISTRICT HEIGHTS OFFICE  
 8840 SILVER HILL ROAD

MAIL TO:

T. J. Scheve  
25 21 34th St. S.E.  
Wash. D.C., D.C.

[Back of Defendants' Ex. No. 3, continued]

Oct 30 12 20 PM '62

Oct-30-62 220051 B

• 34715 - 111 -

39.92

Oct-30-62 220050 B

• 34715 - 111 -

3.0

Case No. \_\_\_\_\_ Clerk \_\_\_\_\_ R. W. \_\_\_\_\_



36200

125

Nov 16 12 42 PM '62

BOOK

PAGE

QUIT CLAIM DEED

# This Deed

11902 551

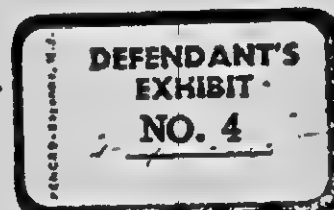
Made this 20<sup>th</sup> day of September  
by and between Russell Lewis and wife, Mabel Lewis

in the year 1962

parties of the first part, and

Theodore J. Scheve and wife Geraldine E. Scheve

parties of the second part:



FILED

NOV 5 1965

HARRY M. HULL, Clerk

Witnesseth, that for and in consideration of the sum of Ten Dollars (\$10.00), receipt whereof is hereby acknowledged, the said party of the first part does grant unto the said parties of the second part, in fee simple, as tenants by the entirety the following described land and premises, situate in the District of Columbia and known and distinguished as

Lot numbered Sixty (60) in Jacob S. Gruver's subdivision of lots in Square numbered Twenty-eight Hundred Twenty-four (2824), as per plat recorded in Liber 50 at folio 200 in the Office of the Surveyor for the District of Columbia.

Together with all and singular the ways, easements, rights, privileges and appurtenances to the same belonging or in anywise appertaining, and all the estate, right, title, interest, and claim, either at law or in equity, or otherwise however, of the said party of the first part, of, in, to, or out of the said land and premises.

And the said parties of the first part covenant that they will warrant specially the property hereby conveyed; and that they will execute such further assurances of said land as may be requisite.

Witness their hands and seals the day and year first hereinbefore written.

Witness:

[Signature]

X Russell Lewis [SEAL]

Mabel Lewis [SEAL]

..... BOOK PAGE  
DISTRICT OF COLUMBIA ..... to wit: 11902 552

I, ..... *Richard M. Alonso* ..... a Notary Public in and for  
the said District ..... DO HEREBY CERTIFY that

Russell Lewis and Mabel Lewis ..... part 1es0 a certain Deed bearing  
date on the *20* day of *September* 19 *62* and hereto annexed,  
personally appeared before me in said ..... District ..... the said

Russell Lewis and Mabel Lewis

being personally well known to me as the persons who  
executed the said Deed, and acknowledged the same to be their act and deed.

Given under my hand and seal this *20* day of *September* 19 *62*

*Richard M. Alonso*  
Notary Public.



[Back of Defendants' Ex. No. 4]

No. \_\_\_\_\_ of \_\_\_\_\_ F. S. § \_\_\_\_\_  
 S. S. § \_\_\_\_\_ T. T. \_\_\_\_\_

# Deed in Fee

// FROM  
 Russell Lewis

Mabel Lewis

To

// Theodore J. Scheve and wife

Geraldine E. Scheve

Received for Record on the \_\_\_\_\_ day  
 of \_\_\_\_\_, A. D., 19\_\_\_\_,  
 at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and recorded in  
 Liber No. 11902 at Folio 551, et seq.,  
 one of the Land Records for

District of Columbia

*Peter S. Ridley*  
 Recorder.

Realty Title Insurance Company, Inc.

WASHINGTON OFFICE  
 1424 K STREET, N.W.  
 2221 WISCONSIN AVENUE, N.W.  
 708 KENNEDY STREET, N.W.

SILVER SPRING OFFICE  
 1007 BONIFANT STREET

MYATTSVILLE OFFICE  
 2302 BALTIMORE AVENUE

DISTRICT HEIGHTS OFFICE  
 5860 SILVER HILL ROAD

MAIL TO:

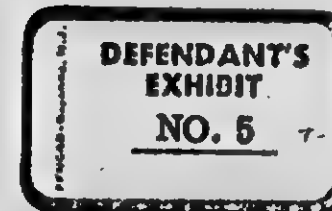
Case No. \_\_\_\_\_ Clerk \_\_\_\_\_

[Back of Defendants' Ex. No. 4, continued]

NOV-16-62 222911 B 36700 - - - - - 36

NOV 16 12 42 PM '62

# This Lease



Made this 1<sup>st</sup> day of Oct in the year 1942, by and between  
Theodore J. Scherer

party of the first part, hereinafter called the lessor, and Russell Lewis and Mabel Lewis  
part 1<sup>st</sup> of the second part, hereinafter called the  
lessee:

Witnesseth, That the lessor hereby leases to the lessee their heirs, executors and  
administrators, all that certain messuage, tenement and premises situate in the  
of Washington, District of Columbia, and known as No. 1348 Shady St. N.W.

for the term of One year  
commencing on the 1<sup>st</sup> day of Oct., 1942, to be fully completed  
and ending on the 31<sup>st</sup> day of Sept, 1943, at and for the  
rent of One thousand five hundred dollars, payable at  
One hundred twenty five per mo. in equal monthly installments of at  
2521 34<sup>th</sup> St. S.E. (Remit by mail only.)

dollars, payable on the 1<sup>st</sup> day of each and every month, in advance  
the first payment of One hundred twenty five dollars to be made on the 1<sup>st</sup>  
day of Oct, 1942

And the said lessee for their heirs, executors, administrators, do hereby covenant to  
and with the lessor that they, the said lessee shall and will during the said term pay unto said lessor the rent  
hereby reserved in the manner hereinbefore mentioned without deduction whatsoever, and without any obligation  
on the part of the said lessor to make any demand for the same, and further that they will not use said prem-  
ises for any unlawful purpose but will occupy the same as a residence

FILED

NOV 3 1965

SHADY ST. N.W.  
HULL, Clerk

AND WILL NOT SUBLET OR ASSIGN THE SAID PREMISES, OR ANY PART THEREOF, NOR TRANSFER POSSESSION THEREOF TO ANY PERSON OR PERSONS, nor carry on any business therein.....

*except for residence.*

without the written consent of the said lessor first had and obtained, and further that ~~they~~ the said lessee *S* will pay the water rent and gas and electric light bills as the same may respectively become due and chargeable against the said premises during the term aforesaid. And further, that no gasoline will be kept or allowed to be kept on said premises, and that the lessee *S* will at the end of the said term deliver up the said premises in the like good order in which they are now, ordinary wear and tear and casualties by fire only excepted, to the said lessor, who shall and may thereupon re-enter, provided that if at least ten days before the expiration of the term aforesaid, the said lessor shall either leave on the premises aforesaid or serve on the lessee *S* aforesaid, a notice in writing that said premises will be required at the end of said term, then, in the happening of either of said events, the said lessor may without further notice, immediately re-enter and possess said premises: but in the event that said lessor shall not give said notice as aforesaid, then, unless the lessee *S* shall immediately surrender said premises on the day of the end of said term, the said lessee *S* shall by virtue of this agreement become a tenant by the month, at the rental per month of the monthly installments of rent to be paid as aforesaid on the yearly tenancy, commencing said monthly tenancy with the first day next after the end of said term; which said monthly tenant shall be subject to all conditions and covenants of the said lease as though the same had originally been a monthly instead of a yearly tenancy, and shall give to the said lessor at least thirty days' notice of any intention to remove from said premises, said notice to be given in writing as provided by the Code of laws for the District of Columbia, and the said lessee *S* by the month shall not be entitled to any notice to quit in the event said rent is not paid in advance without demand, the usual thirty days' notice being hereby expressly waived.

And the said lessee *S* further covenant.... and agree.... that if during the continuance of said yearly tenancy, or if after the commencement of said monthly tenancy, if any arise as aforesaid, ~~they~~ shall fail to pay any one of said monthly installments of rent reserved as aforesaid, when and as the same shall respectively become due and payable, although no demand may have been made for the same, or ~~they~~ shall in any other manner or respect fail to keep, or violate any one of the covenants and agreements hereinbefore made by the said lessee *S*, then it shall be lawful for the said lessor at his election and option, to re-enter and recover possession of said premises by means of a seven days' summons under the provisions of the Code of Law for the District of Columbia, regulating proceedings between landlords and tenants, or by such other legal process as may at that time be in operation in like case, the said lessee *S* hereby expressly waiving all right to a thirty days' or other notice to quit should said lessor.... elect to proceed to recover possession as aforesaid.

And it is further understood and agreed by and between the parties hereto, that the lessor, or his duly authorized agents may enter said premises at any reasonable hour to make any necessary repairs, or to protect the property against the elements. The lessee *S* further agree.... to repair all damage to the plumbing, such as the stoppage of drain pipes, and sewers, the bursting of pipes by freezing and all other damage to the plumbing or premises resulting from careless use, at *their* own cost and expense.

[Back of Defendants' Ex. No. 5]

And it is Further Provided That if under the provisions of this lease and agreement a seven days' summons shall be served, and a compromise or settlement shall be made, either before or after judgment whereby the said lessee... shall be allowed to retain said premises, such proceedings shall not constitute a waiver of any covenant herein contained or of the lease itself, or of the monthly tenancy if that be in force at such time or times; and it is further understood and agreed that the covenants and agreements contained in the within agreement to be performed by the respective parties are binding on the said parties and their legal representatives, and that no waiver of any breach of any covenant herein shall be construed to be a waiver of the covenant itself or of any subsequent breach thereof.

In Testimony Whereof: The respective parties hereto have hereunto set their hands and seals the day and year first hereinbefore written.

Signed, sealed and delivered in the presence of—

*x Russell Lewis* (SEAL)

*Mable Lewis* (SEAL)

*Theodore J. Schere* (seal)

[This page left blank in order most efficiently to  
accommodate exhibit pages which follow]



COMPLAINT FOR POSSESSION OF REAL ESTATE

IN THE

DEFENDANT'S  
EXHIBIT  
NO. 6

Block No. 727

Municipal Court for the District of Columbia

CIVIL DIVISION, LANDLORD AND TENANT BRANCH

500 Fourth Street N.W., First Floor  
Washington, D. C.

NOV 16 1932

*Theodore J. Schewe*  
Plaintiff  
531 34th St. S.E.  
Address

VS.

*Russell J. Shepherd*  
Defendant  
1344 Shepherd St. N.W.  
Address

1184348-'62

FILED

No. L. & T.

COMPLAINT FOR POSSESSION OF REAL ESTATE

NOV 5 1965

DISTRICT OF COLUMBIA, ss.:

*J. Theodore J. Schewe*  
being first duly sworn, states that plaintiff is entitled to the possession of premises No. *1344*  
*1344 Shepherd St. N.W.*  
located in the District of Columbia, which the defendant holds without right. The premises are in &  
possession of the defendant, who holds them as a *year lease monthly payment 125.00*  
(Here indicate type of tenancy)  
tenant of the plaintiff.

If the tenancy is by written agreement or lease, check the following ground or grounds upon which possession is sought:

- ☒ Defendant's default in the payment of rent, there being now due rent in the sum of \$ *125.00*  
for the period from *Nov. 1 - 1962* to *Dec. 6, 1962*  
☐ By reason of the following (explain fully):

Affiant also states: (Check one of the following)

- ☐ That a notice to quit has been served upon the defendant as required by law;  
☒ That service of a notice to quit has been specifically waived in writing.

Affiant therefore says that plaintiff is entitled to judgment for possession of said property (and for

judgment in the sum of \$.....for rent in arrears) and costs of this suit.

Theodore J. Schvee  
Plaintiff (or Agent)

Subscribed and sworn to before me this.....day of....., 19.....

DAVID K. WARD

**NOV 16 1932**

Notary Public, D. C.

SUMMONS Deputy Clerk

To: Russell & Mable Lewis

134 P Shepherd St. N.W.  
Defendant  
Address

**NOV 30 1932**

You are hereby summoned to appear in this Court on.....day of....., 19....., at 9:30 a.m. to answer the Plaintiff's Suit, and show why he should not have judgment against you for the cause of action stated in this complaint for possession of the above-named premises (and for judgment in the sum of \$.....for rent in arrears); and in case of your failure so to appear and answer judgment will be given against you by default. The hearing upon this claim will be held in the Landlord and Tenant Branch, located on the First Floor, 500 Fourth St. N.W.

If you have witnesses, books, receipts, or other writings bearing on this claim, you should bring them with you at the time for the hearing.

If you admit the claim, but desire additional time to pay, you must come to the Court and state the circumstances.

You may come with or without a lawyer.

The costs of this case now amount to \$25 and you are not required to pay any more if you settle the claim before the hearing.

If you desire any assistance in this matter, you should see the clerk of the court without delay.

Witness, the Honorable Chief Judge of said Court, the.....day of.....WALTER F. BROWN, 19.....

By: David K. Ward

Deputy Clerk Clerk

Chief Deputy Clerk

....., Attorney

BRING THIS SUMMONS WITH YOU AT ALL TIMES

[Back of Defendants' Ex. No. 6]

## U. S. MARSHAL'S RETURN

(3) NOV 19 1962, 19    

Summoned by posting a copy hercof on

Pitt

of said premises, the defendant not to be found, and no person above the age of sixteen years to be found in possession of, or residing on, said premises.

LUKE C. MOORE  
U. S. Marshal.

By

W E De Cuir  
Deputy Marshal.

DATE	COURT CLERK'S MEMORANDUM	JUDGE	CLERK'S INITIALS
NOV 30 1962	Dismissed by Plaintiff. Judge Fickling		

[This page left blank in order most efficiently to  
accommodate exhibit pages which follow]

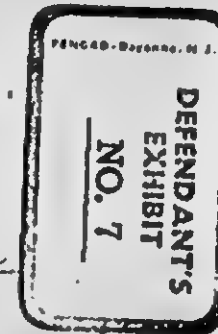
COMPLAINT FOR POSSESSION OF REAL ESTATE

Blank No. 727

IN THE

Municipal Court for the District of Columbia

CIVIL DIVISION, LANDLORD AND TENANT BRANCH  
500 Fourth Street N.W., First Floor  
Washington, D. C.



Theodore J. Schewe vs. Russell Lewis  
Plaintiff Defendant  
2521 34th St. S.E. 1348 Shepherd St. N.W.  
Address Address

No. L. & T. U91583-62

COMPLAINT FOR POSSESSION OF REAL ESTATE

DISTRICT OF COLUMBIA, ss.:

J. Theodore J. Schewe  
being first duly sworn, states that plaintiff is entitled to the possession of premises No. 1348  
Shepherd St. N.W.  
located in the District of Columbia, which the defendant holds without right. The premises are in  
possession of the defendant, who holds them as a month-to-month tenant (year lease)  
tenant of the plaintiff.  
(Here indicate type of tenancy)

If the tenancy is by written agreement or lease, check the following ground or grounds upon which  
possession is sought:

- ☒ Defendant's default in the payment of rent, there being now due rent in the sum of \$ 125.00  
for the period from Dec 1, 1962 to Jan 1, 1963.  
☐ By reason of the following (explain fully):

Affiant also states: (Check one of the following)

- ☐ That a notice to quit has been served upon the defendant as required by law;  
☒ That service of a notice to quit has been specifically waived in writing.

Affiant therefore says that plaintiff is entitled to judgment for possession of said property (and for

173283 el91583-62

judgment in the sum of \$.....for rent in arrears) and costs of this suit.

Theodore J. Schure  
Plaintiff (or Agent)  
Subscribed and sworn to before me this.....day of....., 19.....

DAVID R. WARD Notary Public, D. C.  
Deputy Clerk

SUMMONS

To: Russell Lewis  
Mabel Lewis  
Defendant  
1348 Shepherd St. N.W.  
Address

DEC 17 1902

You are hereby summoned to appear in this Court on.....day of....., 19....., at 9:30 a.m. to answer the Plaintiff's Suit, and show why he should not have judgment against you for the cause of action stated in this complaint for possession of the above-named premises (and for judgment in the sum of \$.....for rent in arrears); and in case of your failure so to appear and answer judgment will be given against you by default. The hearing upon this claim will be held in the Landlord and Tenant Branch, located on the First Floor, 500 Fourth St. N.W.

If you have witnesses, books, receipts, or other writings bearing on this claim, you should bring them with you at the time for the hearing.

If you admit the claim, but desire additional time to pay, you must come to the Court and state the circumstances. You may come with or without a lawyer.

The costs of this case now amount to \$.....and you are not required to pay any more if you settle the claim before the hearing.

If you desire any assistance in this matter, you should see the clerk of the court without delay. DEC 17 1902

Witness, the Honorable Chief Judge of said Court, the.....day of....., A.D. 19.....

By: ..... Clerk  
..... Chief Deputy Clerk

....., Attorney

BRING THIS SUMMONS WITH YOU AT ALL TIMES





[This page left blank in order most efficiently  
to accommodate exhibit pages which follow]

**WRIT OF RESTITUTION**

**District of Columbia Court of General Sessions  
CIVIL DIVISION**



\_\_\_\_\_  
\_\_\_\_\_, Plaintiff  
vs. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, Defendant  
HARRY M. HULL, Clerk

**FILED**

**NOV 5 1965**

No. \_\_\_\_\_

**The President of the United States to the Marshal for said District of Columbia, Greeting:**

**You are hereby Commanded, without delay, to cause the plaintiff to have possession of premises**

**No. \_\_\_\_\_**

\_\_\_\_\_  
\_\_\_\_\_  
according to his recovery in this action. And do you return this writ into this Court immediately after you have executed it, and within ten days (exclusive of Sundays and legal holiday) from the date hereof, so indorsed as to show when and how you have executed the same.

**Witness** the Honorable Chief Judge of said Court, this \_\_\_\_\_ day of \_\_\_\_\_,

**A. D. 19\_\_\_\_\_**

LC-80

**WALTER F. BRAMHALL**  
Clerk of the Court

## District of Columbia Court of General Sessions

\_\_\_\_\_, Plaintiff

vs.

Name \_\_\_\_\_

Address \_\_\_\_\_, Defendant

City \_\_\_\_\_

No. \_\_\_\_\_

You are hereby notified that in the above-entitled cause a writ of possession has been issued, commanding me to take possession of Premises No. as indicated above, and that I shall, unless otherwise ordered by the plaintiff, proceed on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_,  
(Date to be filled in by the U. S. Marshal's Office)  
at 10:00 o'clock A. M., to execute said writ and take possession of the premises.

**THIS IS YOUR LAST NOTICE.**

This \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_

LUKE C. MOORE  
United States Marshal

By \_\_\_\_\_  
Deputy Marshal

**Realty Title Insurance Company, Inc.**

(A Maryland Corporation)

**RECORD TITLE POLICY BINDER**



TO: Mr. A. Robert Alldridge

APPLICATION NUMBER.....77922.....

Re: 1348 Shepherd Street, N. W.

REALTY TITLE INSURANCE COMPANY, INC. hereby certifies:

That it has examined the title to the land described in Schedule "A" hereof, and upon payment of the premium, this Company will issue its Record Title Policy insuring that according to the records of the District of Columbia on the 21st day of November, 1962, as of which date the search of the public records was completed, the fee simple title to said land was vested in

**FILED**  
NOV 5 1965

**THEODORE J. SCHEVE and wife, GERALDINE E. SCHEVE,**  
as Tenants by the Entirety

**HARRY M. HULL, Clerk**

subject only to the encumbrances, liens, charges, objections, exceptions or defects, all as shown in Schedule "B" hereof.

This Company agrees to issue its Record Title Insurance Policy, on its usual form, upon payment of the premium therefor within 120 days from the date hereof.

It is understood and agreed that said Policy will insure the record title to be as herein set forth subject to: (1) such changes in the status thereof that may intervene between the aforesaid date and the date of such Policy by the recordation of any instruments or the filing of any suits affecting the title or by the release, discharge or correction of any of the items shown in Schedule "B" hereof; (2) any question or objection which may be brought to the attention of this company between the date hereof and the date of settlement.

This Binder is preliminary to settlement and to the issuance of a Record Title Insurance Policy and shall become null and void: (1) unless such Policy is issued and the premium therefor paid within 120 days from the date hereof; (2) if the applicant, his attorney or agent makes any untrue statement with respect to any material fact or suppresses or fails to disclose any material fact or if any untrue answers are given to this company to material inquiries before the issuance of its Title Policy; (3) if there is no settlement at this company within 120 days from the date hereof, this Binder shall be null and void if our charges therefor have not been paid in full.

NOTE: A Record Title Insurance Policy indemnifies the insured only against defects, liens and encumbrances appearing on the records. If broader coverage is desired against matters not appearing of record, which may adversely affect the title to the land herein described, such as forgery, fraud, insanity, infancy and concealed marriages, a policy of title insurance of this type should be requested.

Executed this 29th day of November , 19 62

If you have any questions regarding this report, please communicate with the undersigned Title Officer.



REALTY TITLE INSURANCE COMPANY, INC.

By Daniel J. Smith  
Daniel J. Smith - Assistant Title Officer

**"Schedule "A"**

362-380

**Description of Property:**

Lot numbered Sixty (60) in Jacob S. Gruver's subdivision of Lots numbered Twenty-one (21) and Twenty-two (22) in Block numbered Three (3), "North Columbia Heights", now known as Square numbered Twenty-eight Hundred Twenty-four (2824), as per plat of first mentioned subdivision recorded in the Office of the Surveyor for the District of Columbia in Liber 50 at folio 200.

**"Schedule "B"**

1. Deed of Trust from Russell Lewis and wife, Dorothy Lewis, as Tenants by the Entirety, to Rudolf W. Santelmann, S. Wilson Earnshaw and John F. Donohoe, Trustees, dated October 6, 1950 and recorded October 19, 1950 in Liber 9323 at folio 136. Secures Eastern Building and Loan Association, \$7,500.00, their certain sealed obligation of October 6, 1950, which obligation is subject to certain conditions therein set forth, payable monthly. Default acceleration clause. Provision for substitution of trustees.
2. Deed of Trust from Russell Lewis and wife, Dorothy Lewis, to Frank Paroni and Joseph G. Weeda, Trustees, dated October 6, 1950 and recorded October 19, 1950 in Liber 9323 at folio 140. Secures Walter O. Norwood and Rose A. Norwood, \$5,540.00, deferred purchase money, their one certain joint and several promissory note of even date with interest at 6% per annum until paid, payable in monthly instalments of \$35.00 (with the privilege of making larger payments in any amount) on the . . . day of each and every month after date until paid. Default acceleration clause.

[Defendants' Exhibit 9, continued]

3. Deed of Trust from Russell Lewis and wife, Dorothy Lewis, to Frank Paroni and Joseph G. Weeda, Trustees, dated October 6, 1950 and recorded January 5, 1951 in Liber 9379 at folio 70. Secures Kalavritinos Realty Company, \$1,000.00, deferred purchase money, their one certain joint and several promissory note of even date, payable in monthly instalments of \$2.50 (with the privilege of making larger payments in any amount) on the 6th day of each and every month after date, until paid. Default acceleration clause.
4. Proof of the date of death of Dorothy Lewis, former co-owner of caption, reported to have died April 20, 1954, whether she died testate or intestate, and if testate, we should be furnished with a certified copy of her last will.
5. Proof of payment of Federal Estate Taxes and District of Columbia Estate and Inheritance Taxes due in the Estate of the said Dorothy Lewis, deceased.
6. Proof that Russell Lewis, former owner of caption, was unmarried at the time of execution of deed of caption dated July 19, 1954 and recorded July 22, 1954 in Liber 10235 at folio 279 among the Land Records of the District of Columbia, in which he conveyed said property without stating his marital status.
7. Covenants contained in a deed dated October 6, 1950 and recorded October 19, 1950 in Liber 9323 at folio 134 among the Land Records of the District of Columbia, that no structure, except such as are allowed in the city of Washington under the building regulations, shall be erected within 15 feet of the South line of Quincy, now Shepherd, Street.
8. Taxes and assessments and water rent charges as to which the Assessor and the Water Registrar for the District of Columbia will certify.

DJS: sdc



Case No. 362380 Settlement No. 1971/66  
Purchaser \_\_\_\_\_  
Borrower Russell & Dorothy Lewis  
Address 1148 D. Shand St. N.W.  
Seller \_\_\_\_\_  
Lender Walter D. & Rose A. Richmond  
Address 1324 J. S. ... St. N.W.  
Property: Lot 6 Square 28 x 7  
Certificate to Eastern B. & F. 11-3-50  
Tax Certificate ( ) to 10/20/50 Eastern B. & F.  
Rec'ts 1 Deed 10/20/50 Lewis  
Rec'ts 1 Trust 10/20/50 Eastern B. & F.  
Rec'ts 1 Trust 10/20/50 to Capital Bank  
Rec'ts \_\_\_\_\_ Release \_\_\_\_\_ to \_\_\_\_\_  
Notes ( ) to 10/20/50 - Consolidated Bk of Ga.  
Notes ( ) to \_\_\_\_\_  
Cancelled Notes ( ) to \_\_\_\_\_  
Insurance Policy ( ) to 10/20/50 Capital Bank & Bk of Ga.  
Rent Agreement ( ) to \_\_\_\_\_  
Bond to Eastern B. & F. 10-7-50  
Statement to { Purchaser } at Settlement  
{ Borrower } \_\_\_\_\_  
Statement to Seller at Settlement Ch 10/20/50

[illegible]

Ex 84/10

[This page left blank in order most efficiently  
to accommodate exhibit pages which follow.]

The District Title Insurance Co.  
 The Lawyers Title Insurance Co.  
 The Washington Title Insurance Co.  
 1413 Eye Street, N. W.  
 Washington 5, D. C.

*Selling*  
*Rose A. Jones*  
*Walter O. Jones*  
*1348 - Shepherd St NW*  
*6*

Case No. 369380  
 S. D. No. Oct 6 1950  
2824  
 Block 6  
 Square 2824

In the Matter of Lot.

THESE COMPANIES DO NOT ASSUME RESPONSIBILITY FOR TAXES OR ASSESSMENTS EXCEPT AS REPORTED ON THE TAX CERTIFICATE.

THESE COMPANIES DO NOT ASSUME RESPONSIBILITY OF WATER RENT ADJUSTMENT.

CORRECTNESS OF INFORMATION FURNISHED THESE COMPANIES AS TO PRINCIPAL AND INTEREST ON ASSUMED TRUSTS NOT GUARANTEED.

Fire & Ext'd Coverage Ins. \$ Loan Price \$ paid to @ \$ yrs.

Appraisal Fee

Commission *Kalvaritinos Realty Co*

Conveyancing paid

Deposit

First Deed of Trust *None*

Interest accrued from @ %

Bonus

Second Deed of Trust

Interest accrued from @ %

Deferred payments

Taxes paid *6/2/31/51*

Taxes accrued *4/6/50 to 6/2/31/50 @ 118-2% per yr*

Front foot benefit

*1000 -*

*5450 -*

*2803*

*19950 -*

[Defendant's Exhibit 10, continued]

Town taxes

Special Assessments

Rent paid to

*None* @ \$  
*No Water Adjustment*

per Mo.

—  
—

Title Insurance (Including examination)

Record Title

Full Coverage

Tax Certificate

Preparing Deed \$

Trust \$

Release \$

Recording Deed \$

Trust \$

Release \$

Noting and examining conveyances

Notary fee

Settlement fee

Registering Notes

Revenue Stamps

Federal \$ *16.50* State \$

*16.50*

Survey

Binder

Service Charge

Balance

*To Seller*

*851.53*

*1497803*

*1497803*

Approved

*Rose G. Monrood*

149

151

*Purchaser*

The District Title Insurance Co.  
The Lawyers Title Insurance Co.  
The Washington Title Insurance Co.  
1413 Eye Street, N. W.  
Washington 5, D. C.

*Russell & Dorothy Lewis*  
*1228 - Shepherd St. NW*

Case No. *363 350*

S. D. No. \_\_\_\_\_

In the Matter of Lot *6*

Block-Square *2824*

THESE COMPANIES DO NOT ASSUME RESPONSIBILITY FOR TAXES OR ASSESSMENTS EXCEPT AS REPORTED ON THE TAX CERTIFICATE.

THESE COMPANIES DO NOT ASSUME RESPONSIBILITY OF WATER RENT ADJUSTMENT.

CORRECTNESS OF INFORMATION FURNISHED THESE COMPANIES AS TO PRINCIPAL AND INTEREST ON ASSUMED TRUSTS NOT GUARANTEED.

Fire & Ext'd Coverage Ins.

Loan Price

*\$5750 00*  
*7500 00*

paid to

@ \$

yr.

Appraisal Fee

Commission

Conveyancing paid *fixed - interest -*

Deposit

First Deed of Trust *Eastern B. Co.*

Interest accrued from

@

%

Bonus

Second Deed of Trust

Interest accrued from

@

%

Deferred payments

Taxes paid *to 12/31/50*

Taxes accrued *10/6/50 to 12/31/50 @ 1 1/2% per yr.*

Front foot benefit

*14950 -*

*1908*

*1020*

*1500 -*  
*7500 -*

*5450 -*

*28 03*

[Defendants' Exhibit 10, continued]

Town taxes

Special Assessments

Rent paid to *None* @ \$

per Mo.

*10 water adj. payment*

Title Insurance (Including examination)

Record Title

Full Coverage

Tax Certificate *+ service*

Preparing Deed \$ Trust *\$5.00* Release \$

Recording Deed *\$1.80* Trust *\$7.50* Release \$

Noting and examining conveyances *Deed & Trust*

Notary fee *Deed & Trust*

Settlement fee

Registering Notes

Revenue Stamps Federal \$ State \$

Survey

Blinder

Service Charge

Balance *Due to settle*

Approved *Russell Lewis*

*57 -*

*2.50*

*5 -*

*11.60*

*4 -*

*3.50*

*12.50*

[Defendants' Exhibit 10, continued]

151

*68921*  
*1513921* *1513921*

FORM 304

CASE No. <u>362380 Lewis</u>	WASHINGTON, D. C. <u>10-9</u> 19 <u>50</u>
RECEIVED OF THE DISTRICT TITLE INSURANCE COMPANY THE LAWYERS TITLE INSURANCE COMPANY THE WASHINGTON TITLE INSURANCE COMPANY	
THE FOLLOWING PAPERS RELATING TO LOT <u>6</u> SQUARE <u>2824</u>	
CERTIFICATE OF TITLE _____	TAX CERTIFICATE _____
RECORDER'S RECEIPT DEED _____	INSURANCE POLICY _____
RECORDER'S RECEIPT TRUST _____	_____
RECORDER'S RECEIPT RELEASE _____	_____
<u>Notes</u> <u>\$7500.00</u> BOND	EASTERN BUILDING AND LOAN ASSOCIATION OCT 9 '50 <u>W. H. Harnes</u>
MINAMARA	

# NATIONAL CAPITAL INSURANCE AGENCY, INC.

PENNSYLVANIA AVENUE AND FOURTH STREET, S. E.

WASHINGTON 3, D. C.

October 9, 1950

TRINIDAD 6800

Mr. Russell Lewis,  
Mrs. Dorothy Lewis,



TO PREMIUMS ON THE FOLLOWING POLICIES OF INSURANCE

DATE	POLICY NO.		PREMIUM
1950			
Oct. 6th.	84445	\$5,450.00 Fire and Extended Coverage Insurance on the Brick Dwelling, No. 1348 Shepherd Street, Northwest, for 3 Years.	\$19.08

*Please send P & Bill to*  
**PAID**  
OCT 23 1950

NATIONAL CAPITAL INS. AGENCY, INC.

By.....

CASE No. 362380 (Zarin) WASHINGTON, D. C. Oct 20 1950

RECEIVED OF THE DISTRICT TITLE INSURANCE COMPANY  
THE LAWYERS TITLE INSURANCE COMPANY  
THE WASHINGTON TITLE INSURANCE COMPANY

THE FOLLOWING PAPERS RELATING TO LOT 6 SQUARE 2824  
CERTIFICATE OF TITLE \_\_\_\_\_ TAX CERTIFICATE \_\_\_\_\_  
RECORDER'S RECEIPT DEED ✓ INSURANCE POLICY CH 4232  
RECORDER'S RECEIPT TRUST \_\_\_\_\_  
RECORDER'S RECEIPT RELEASE \_\_\_\_\_  
NOTES \_\_\_\_\_  
BOND \_\_\_\_\_

R.O. Fitcher

[Defendants' Exhibit 10, continued]

14,978.03  
8511.53  
6466.50 \*  
10000.00  
5450.00  
16.50  
\*\*

Bellevue

14,978.03  
6466.50  
8511.53  
14950.00  
28.03  
15,150.65  
14,450.00 \*  
700.65  
15000.00  
7500.00  
3450.00  
\*\*

14,450.00  
700.65  
11.44  
689.21  
15,150.65 \*

15,150.65  
11,441.60  
15,139.21  
12.50  
14950.00  
30.52  
4200.00  
1000.00  
28.03  
5100.00  
250.00  
500.00  
400.00  
350.00  
1250  
\*\*

Purchase

10-6

ATTACHED CHECK IS IN SETTLEMENT OF ACCOUNT AS STATED BELOW. PLEASE DETACH BEFORE DEPOSITING

1st Trust Loan on Lot 60 Square 2824

1348 Shepherd Street, N. W.

LEWIS, Russell and Dorothy

L-6296

Case No. 362380



EASTERN BUILDING AND LOAN ASSOCIATION  
WASHINGTON, D. C.



Form No. 601

Case No. 362380

**FIRST TRUST**

Assumed \_\_\_\_\_ ☐

Prepare Release \_\_\_\_\_ ☐

Release in Jacket \_\_\_\_\_ ☐

Release to come from \_\_\_\_\_

**SECOND TRUST**

Assumed \_\_\_\_\_ ☐

Prepare Release \_\_\_\_\_ ☐

Release in Jacket \_\_\_\_\_ ☐

Release to come from \_\_\_\_\_

**THIRD TRUST**

Assumed \_\_\_\_\_ ☐

Prepare Release \_\_\_\_\_ ☐

Release in Jacket \_\_\_\_\_ ☐

Release to come from \_\_\_\_\_

Write up thru \_\_\_\_\_

Hold case open for \_\_\_\_\_ days

Remarks: close



# The BRIGGS FILTRATION Company

DESIGNERS AND MANUFACTURERS  
of  
OIL FILTRATION EQUIPMENT

DEFENDANT'S  
EXHIBIT  
NO. 11

RIVER ROAD • WASHINGTON 16, D. C. • TELEPHONE: OLIVER 4-7722 **FILED** TELETYPE BETHESDA 738

NOV 5 1965

April 30, 1962 <sup>HARRY M. HULL, Clerk</sup>

Russell Lewis  
1348 Shepherd Street, N. W.  
Washington, D. C.

Dear Russ:

Due to the shortage of help in our accounting department, the company must discontinue withholding your house payments and paying same each month to the holders of the mortgage on your house. We will make the May 15th payment. After that date we will no longer withhold from your pay to meet these payments.

You are to be complimented in the manner you have kept up the payments to the company for both the mortgage payments and the amount owed to the company. I can see no reason why you cannot set aside each week enough to meet your monthly obligations to the mortgage company.

A copy of your account is herewith enclosed for your reference.

Very truly yours,

THE BRIGGS FILTRATION COMPANY

*W. C. Ferguson*  
W. C. Ferguson  
Secretary-Treasurer

WCF:mj

Russell Lewis  
1348 Shepherd Street, N. W.  
Washington, D. C.

## ADVANCE ACCOUNT

[Defendants' Exhibit 11, continued]

53.93

OCT 3 '61	PAY DEDUCT		30 00	23 93**
OCT 6 '61	CASH DISB	100 00		123 93**
OCT 20 '61	PAY DEDUCT		30 00	93 93**
OCT 27 '61	PAY DEDUCT		30 00	63 93**
NOV 3 '61	PAY DEDUCT		30 00	33 93**
NOV 10 '61	PAY DEDUCT		30 00	3 93**
NOV 15 '61	CASH DISB	100 00		103 93**
NOV 17 '61	PAY DEDUCT		30 00	73 93**
NOV 24 '61	PAY DEDUCT		30 00	43 93**
DEC 1 '61	PAY DEDUCT		30 00	13 93**
DEC 8 '61	PAY DEDUCT		30 00	26 93**
DEC 15 '61	CASH DISB	100 00		83 93**
DEC 15 '61	PAY DEDUCT		30 00	53 93**
DEC 22 '61	PAY DEDUCT		30 00	23 93**
DEC 27 '61	CASH DISB	20 00		43 93**
JAN 5 '62	PAY DEDUCT		30 00	13 93**
JAN 2 '62	PAY DEDUCT		30 00	26 93**
JAN 5 '62	CASH DISB	100 00		83 93**
JAN 9 '62	PAY DEDUCT		30 00	53 93**
JAN 16 '62	PAY DEDUCT		30 00	23 93**
FEB 2 '62	PAY DEDUCT		30 00	6 93**
FEB 9 '62	PAY DEDUCT		30 00	36 93**
FEB 16 '62	PAY DEDUCT		30 00	66 93**
FEB 24 '62	CASH DISB	100 00		33 93**
FEB 23 '62	PAY DEDUCT		30 00	3 93**
MAR 2 '62	PAY DEDUCT		30 00	26 93**
MAR 9 '62	PAY DEDUCT		30 00	56 93**
MAR 16 '62	PAY DEDUCT		30 00	86 93**
MAR 15 '62	CASH DISB	100 00		13 93**
MAR 23 '62	PAY DEDUCT		30 00	26 93**
MAR 30 '62	PAY DEDUCT		30 00	56 93**
APR 6 '62	PAY DEDUCT		30 00	76 93**
APR 13 '62	PAY DEDUCT		30 00	106 93**
APR 15 '62	CASH DISB	100 00		6 93**
APR 20 '62	CASH DISB	50 00		43 93**
APR 20 '62	PAY DEDUCT		30 00	13 93**
APR 27 '62	PAY DEDUCT		30 00	26 93**

DEFENDANT'S  
EXHIBIT  
NO. 12

FILED

NOV 5 1965

HARRY McINTIRE, Clerk

1415 EYE STREET N.W.

Washington, D. C.,

Sept 25 1962

RECEIVED OF

Theo. Schewe

Seven hundred forty-two and 2/100  
to stop foreclosure on  
1348 Shepherd St NW

2024 on 490.-  
Auction for 26243  
75243

Dean Brown  
Deputy

For Company

## CONSOLIDATED PROPERTIES, Inc.

REAL ESTATE • BUILDERS • INSURANCE

~~1224 EYE STREET, N. W.~~~~WASHINGTON 5, D. C.~~3902 KNOWLES AVENUE  
KENSINGTON, MARYLANDDEFENDANT'S  
EXHIBIT  
NO. 13

FILED

NOV 5 1965

HARRY M. HULL, Clerk

Oct. 12, 1962

Dear Mr. Schae.

We received \$490<sup>00</sup> on Sept. 26, 1962  
for account 1348-Shepherd St., N.W.  
applied as follows.

\$280<sup>00</sup> - to 2nd Trust.

210<sup>00</sup> - to advances on 1st Trust

\$ 490<sup>00</sup> - Total received.

Enclosed 1st Trust  
& 2nd Trust Passbooks.

(over)

Sincerely,  
Consolidated Properties.  
P. T. Stathos

(over)

949-2617  
PHONE EXECUTIVE 8-0900



We have advanced October Payment of \$70<sup>00</sup>  
 to Eastern Bldg. Assn. + have paid the  
 insurance premium of 19.60  
 10/6/62 Now due this office - 1st. Trust advance \$70<sup>00</sup>

Insurance paid.

Oct. 6, Payment on 2nd trust.

Now due this office.  
 Thanks.

19 60

35<sup>00</sup>

\$124.60

[Reverse of Defendants' Ex. 13]

Sincerely,

Consolidated Properties.

(over)

G. T. Stathis

402-1943

**FILED**

reut *Reverend* *W. S. Keen* NOV 5 1965

U.S. DIST. CT.

DEFENDANT'S  
EXHIBIT  
NO. 14

*Mrs. P. Keen*

**JOHN T. BONNER**

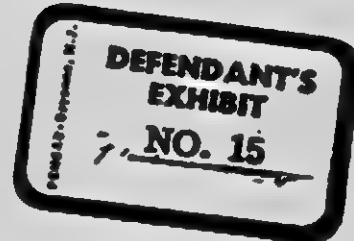
**ATTORNEY AT LAW**

412 FIFTH STREET, N. W.

WASHINGTON 1, D. C.

PHONE DISTRICT 7-8787

May 20, 1963



**FILED**

NOV 5 1965

HARRY M. HULL, Clerk

Mr. Theodore J. Scheve  
2521 34th Street, S. E.  
Washington 20, D. C.

Dear Mr. Scheve:

This office has been retained by Luevonia L. Gambrell, Ida Kay Floyd, and Mr. and Mrs. Russell Lewis to represent them in their claim against you and Mrs. Scheve for title to the property at 1348 Shepherd Street, N. W., Washington, D. C., together with damages accruing from the manner in which you acquired the property.

A complaint has been drawn and I expect to file it on or about May 27, 1963. If, in the meantime, you or your attorney care to discuss the matter with me, I shall be very happy to do so.

Sincerely,

*John T. Bonner*  
JOHN T. BONNER

JTB:mb

LI-H-2  
4-57

DEFENDANT'S  
EXHIBIT  
NO. 18

DISTRICT OF COLUMBIA  
DEPARTMENT OF LICENSES AND INSPECTIONS  
Housing Division Field Office, 34 F Street, N.W.

4" corking hole  
at bottom supply  
cabinet & could  
plunger from other

FILED

Date June 17, 1963  
NOV 5 1965

Order for the correction  
of conditions at

1348 Shepherd St. NW  
No.

Ave., Street

HARRY M. HULL, Clerk

M. T. J. Schene

No. 2621 34th St. SE

Owner ☒  
Agent ☐  
Tenant ☐  
Manager ☐

You are hereby ordered to:

① Replace broken and missing glass in base  
ment front and rear doors, 1st floor storm door, 1st floor  
kitchen and dining room, & replace sash cords as required. 2nd floor  
sleeping room, center sleeping room and rear sleeping room have  
broken windows. See D.C. Housing Regs. Sect. 2506

The Director directs you to comply with  
this order by July 12, 1963  
otherwise court proceedings may be initiated  
for the enforcement thereof.

By order of the Director of Licenses and Inspections

Inspector William C. Mancian Unit #1  
Telephone: NA 8-8000, Ext. 635, 751 or 808 P-4575

DISTRICT OF COLUMBIA  
DEPARTMENT OF LICENSES AND INSPECTIONS  
Housing Division

[Defts' Ex. 16, continued]

Washington, D. C. June - 11, 1943

Order for the correction  
of conditions at

1348 Shepherd St N.W.

Avenue, Street

Mr. T. J. Schene  
2521 34th St S.E.  
Washington, D.C.

Owner ☒  
Agent ☐  
Tenant ☐  
Manager ☐

You are hereby ordered to:

Expiration  
Date

- ( ) Store garbage and trash in separate containers. \_\_\_\_\_
- ( ) Provide adequate rat-proof storage for trash. \_\_\_\_\_
- ( ) Provide adequate, covered, water-tight, metal containers for garbage. \_\_\_\_\_
- ( ) Remove all loose trash, garbage, ashes and miscellaneous refuse from the premises. \_\_\_\_\_
- ( ) Raise stored materials to prevent rat harborages. \_\_\_\_\_
- ( ) Eliminate rat burrows. \_\_\_\_\_
- ( ) Rat proof premises. Close all openings through which rats may enter building. \_\_\_\_\_
- ( ) Eliminate rats by baiting or trapping, or both. \_\_\_\_\_
- ( ) Cease keeping fowls, pigeons, without a permit from Commissioners, D. C. \_\_\_\_\_
- ( ) Remove infestation causing unwholesome premises. \_\_\_\_\_
- ( ) Remove standing water caused by, \_\_\_\_\_
- ( ) Remove weeds more than 4" in height. \_\_\_\_\_
- ( ) Eliminate the hazard to children caused by unused or discarded icebox, refrigerator, freezer, locker, other box, or container, as required by Sec. 1, Article XXXIX, Police Regulations. \_\_\_\_\_

1. ☒ Remove obstruction from, Basement Water Closet & drain near yard. D.C. Health Ord. Sect 10a-

- ( ) Not place or permit to be placed refuse matter in obstructed \_\_\_\_\_
- ( ) Furnish adequate supply of running water for flushing water closet. \_\_\_\_\_
- ( ) Repair a leaky roof. \_\_\_\_\_
- ( ) Provide and furnish adequate heating facilities. \_\_\_\_\_
- ( ) Grade and pave yard, areaway properly. \_\_\_\_\_
- ( ) Abate a nuisance (as provided in the District of Columbia Code 1951 Edition: Title 5—Section 504) by, \_\_\_\_\_

6-12-43

The Director directs you to comply with this order by the expiration date appearing after each item, otherwise court proceedings may be initiated for the enforcement thereof.

P-4517

By order of the Director of Licenses and Inspections

William C. Marceau Unit #1  
Inspector—Housing Division

DISTRICT OF COLUMBIA  
DEPARTMENT OF LICENSES AND INSPECTIONS  
Housing Division

Washington, D. C.

1963

Order for the correction  
of conditions at

No.

Avenue, Street

[Defts' Ex. 16, cont'd]

Mr. T. Fred L. Shove  
2521 34th Street SE  
Washington DC

Owner ☒  
Agent ☐  
Tenant ☐  
Manager ☐

You are hereby ordered to:

Expiration  
Date

- ( ) Store garbage and trash in separate containers.
- ( ) Provide adequate rat-proof storage for trash.
- ( ) Provide adequate, covered, water-tight, metal containers for garbage.
- ( ) Remove all loose trash, garbage, ashes and miscellaneous refuse from the premises.
- ( ) Raise stored materials to prevent rat harborages.
- ( ) Eliminate rat burrows.
- ( ) Rat proof premises. Close all openings through which rats may enter building.
- ( ) Eliminate rats by baiting or trapping, or both.
- ( ) Cease keeping fowls, pigeons, without a permit from Commissioners, D. C.
- ( ) Remove infestation causing unwholesome premises.
- ( ) Remove standing water caused by,
- ( ) Remove weeds more than 4" in height.
- ( ) Eliminate the hazard to children caused by unused or discarded icebox, refrigerator, freezer, locker, other box, or container, as required by Sec. 1, Article XXXIX, Police Regulations.
- ( ) Remove obstruction from, or repair leaky
- ( ) Not place or permit to be placed refuse matter in obstructed
- ( ) Furnish adequate supply of running water for flushing water closet.
- ( ) Repair a leaky roof.
- ( ) Provide and furnish adequate heating facilities.
- ( ) Grade and pave yard, areaway properly.
- (X) Abate a nuisance (as provided in the District of Columbia Code 1951 Edition; Title 5—Section 504) by,  
abandoned automobile (blue Ford Sedan)

F-4517

The Director directs you to comply with this order by the expiration date appearing after each item, otherwise court proceedings may be initiated for the enforcement thereof.

By order of the Director of Licenses and Inspections

Inspector—Housing Division

[Defts' Ex. 16, cont'd]

LI-H-2  
4-57

*mail*

DISTRICT OF COLUMBIA  
DEPARTMENT OF LICENSES AND INSPECTIONS  
Housing Division Field Office, 34 F Street, N.W.

Order for the correction  
of conditions atNo. 1348Date 9/26/63Ave., Street Shepherd St NW

M

T. J. Scherer

No.

2521 - 34 SEOwner ☒Agent ☐Tenant ☐Manager ☐

You are hereby ordered to:

Provide two separate electrical outlets, at least one of which shall be a wall or floor convenience outlet, in rear 2nd floor East and South sleeping rooms.  
Sec. 2404 DC Housing Reg.

The Director directs you to comply with  
this order by Oct 29, 1963  
otherwise court proceedings may be initiated.

By order of the Director of Licenses and Inspections

Inspector M. J. Conner

Telephone: NA 8-8000, Ext. 635, 751 or 608

P-4575



LI-H-2  
4-57DISTRICT OF COLUMBIA  
DEPARTMENT OF LICENSES AND INSPECTIONS

Housing Division Field Office, 34 F Street, N.W.

[Defts' Ex. 16, cont'd]

Order for the correction  
of conditons at1348 Shepherd St NW  
No. Ave., Street

Date

9/26/63

M

T. J. Scheve

No.

2521 - 34<sup>th</sup> St SEOwner ☒  
Agent ☐  
Tenant ☐  
Manager ☐

You are hereby ordered to:

① Repair or replace screens at rear of premises which are in disrepair (Sec 2608) ② Repair or replace defective hardware on front and rear exterior doors (Sec 2506) ③ Repair and point-up chimney which has loose bricks (Sec 2509 DC Housing Reg)

The Director directs you to comply with this order by Oct 29, 1963 otherwise court proceedings may be initiated for the enforcement thereof.

By order of the Director of Licenses and Inspections

Inspector

Telephone: NA 8-6000, Ext. 635, 751 or 808

P-4575

LI-H-2  
4-57DISTRICT OF COLUMBIA  
DEPARTMENT OF LICENSES AND INSPECTIONS

Housing Division Field Office, 34 F Street, N.W.

Order for the correction  
of conditons at1348 Shepherd St NW  
No. Ave., Street

Date

9/26/63

M

T. J. Scheve

No.

2521 - 34<sup>th</sup> St SEOwner ☒  
Agent ☐  
Tenant ☐  
Manager ☐

You are hereby ordered to:

① Replace missing glass in rear basement window (Sec 2506) ② Repair defective flushing mechanism in water closet (Sec 2401) ③ Repair or replace missing and loose tile parts in bathroom walls (Sec 2605 DC Housing Regulations)

The Director directs you to comply with this order by Oct 29, 1963 otherwise court proceedings may be initiated for the enforcement thereof.

By order of the Director of Licenses and Inspections

Inspector

Telephone: NA 8-6000, Ext. 635, 751 or 808

P-4575

LI-H-2  
4-57

**DISTRICT OF COLUMBIA**  
**DEPARTMENT OF LICENSES AND INSPECTIONS**  
 Housing Division Field Office, 34 F Street, N.W.

[Defts' Ex. 16, cont'd]

Order for the correction  
of conditons at

1348 Shepherd St NW

Date

9/26/63

No.

Ave., Street

M T.J. Schere

No.

2521 - 34<sup>SE</sup> SEOwner ☒Agent ☐Tenant ☐Manager ☐

You are hereby ordered to:

① Repair rear porch lattice frame, which  
 has rotted parts (Sec 2514) ② Cover exposed wood  
 surfaces in rear of premises with paint or other  
 preservatives (Sec 2512 DC Housing Reg.)

The Director directs you to comply with  
 this order by Oct 29, 1963  
 otherwise court proceedings may be initiated  
 for the enforcement thereof.

By order of the Director of Licenses and Inspections

Inspector

Telephone: NA 8-6000, Ext. 635, 751 or 608

P-4575

LI-H-2  
4-57

**DISTRICT OF COLUMBIA**  
**DEPARTMENT OF LICENSES AND INSPECTIONS**  
 Housing Division Field Office, 34 F Street, N.W.

Order for the correction  
of conditons at

1348 Shepherd St NW

Date

9/26/63

No.

Ave., Street

M T.J. Schere

No.

2521 - 34<sup>SE</sup> SEOwner ☒Agent ☐Tenant ☐Manager ☐

You are hereby ordered to:

① Repair sink in cooking room  
 which has loose supporting tile parts  
 and is not firmly attached to wall  
 (Sec 2401) ② Replace missing oak top door to  
 furnace (Sec 1201 DC Housing Reg.)

The Director directs you to comply with  
 this order by Oct 29, 1963  
 otherwise court proceedings may be initiated  
 for the enforcement thereof.

By order of the Director of Licenses and Inspections

Inspector

Telephone: NA 8-6000, Ext. 635, 751 or 608

P-4575

## Repairs to 1348 Shepherd St. N.W.

[Defts' Ex. 16, cont'd]

- Repaired front porch roof
- Replaced roof rafters in front porch roof + new sheathing boards
- Coated front porch roof with asbestos emulsion
- Repaired gutter + downspout on front porch roof
- Repaired ceiling of front porch roof.
- Repaired front porch bearing beams
- Repaired front porch carriage + steps, railings, newel posts
- Painted exterior of front porch and trim
- Scraped and coated entire main roof with aluminum roof coating
- Pointed up and replaced brick on chimney
- Repaired screen on 2nd floor rear porch
- Repaired gutters + downspouts on rear of bldg.
- Replaced rear wooden steps
- Repaired lattice enclosure of rear porch
- Repaired + replaced hardware on front + rear doors.
- Repaired rear door + front door storm door
- Painted all trim on rear of house
- Replaced about 20 window panes
- Repaired windows, pulleys + sash cord
- Repaired sink in kitchen and tile parts on wall put upon kitchen sink
- Replaced two toilets, basement and 2nd floor bath and unstopped sewer line
- Repaired tile in bath room
- Replaced coal boiler with new gas boiler for heating system
- Repaired plaster in living room, kitchen and ceiling above basement steps
- Repaired basement steps
- Painted entire inside of house
- Replaced worn out defective gas stove in kitchen
- Unstopped kitchen sink
- Had automobile removed from rear of premises
- Had trash removed from rear yard
- Repaired radiator in bathroom which caused plaster to fall down in living room.
- ~~Paid~~ Paid delinquent water bill
- Had flue cleaned in chimney
- Electric

Labor + material ~~\$200.00~~  
\$3010.28

1-11-2  
4-57

**DISTRICT OF COLUMBIA**  
**DEPARTMENT OF LICENSES AND INSPECTIONS**  
 Housing Division Field Office, 34 F Street, N.W.

[Defts' Ex. 16, cont'd]

Order for the correction  
of conditions at

1348

Date

9/26/63

Ave., Street

M

T. J. Schewe

No.

2521 - 34 St SE

Owner ☒Agent ☐Tenant ☐Manager ☐

You are hereby ordered to

Repair missing frame in adjacent  
 window (Sec 2506) Repair defective flushing  
 mechanism in water closet (Sec 2501) Repair or  
 replace missing and loose tile partitions in bathroom  
 walls (Sec 2605 DC Housing Regulations).

The Director directs you to comply with  
 this order by Oct 29, 1963  
 otherwise court proceedings may be initiated  
 for the enforcement thereof.

By order of the Director of Licenses and Inspections

Inspector

Telephone: NA 8-8000, Ext. 635, 751 or 608

P-4375

1-11-2  
4-57

**DISTRICT OF COLUMBIA**  
**DEPARTMENT OF LICENSES AND INSPECTIONS**  
 Housing Division Field Office, 34 F Street, N.W.

Order for the correction  
of conditions at

1348

Date

9/26/63

Ave., Street

M

T. J. Schewe

No.

2521 - 34 St SE

Owner ☒Agent ☐Tenant ☐Manager ☐

You are hereby ordered to

Repair or replace screens at rear of  
 premises which are in disrepair (Sec 2605) Repair or replace defective hardware on front  
 and rear entrance doors (Sec 2501) Repair and point-  
 up chimney which has loose bricks (Sec 2509 DC  
 Housing Reg)

The Director directs you to comply with  
 this order by Oct 29, 1963  
 otherwise court proceedings may be initiated  
 for the enforcement thereof.

By order of the Director of Licenses and Inspections

Inspector

Telephone: NA 8-8000, Ext. 635, 751 or 608

P-4375

*Planned later to me with Schene (unl.) 6-11-63 F. Page*

DISTRICT OF COLUMBIA  
DEPARTMENT OF LICENSES AND INSPECTIONS

Housing Division

[Defts' Ex. 16, cont'd]

Washington, D. C.

June 11 1963

Order for the correction  
of conditions at

1348 Shepherd St. N.W.

Avenue, Street

Tm T. J. Schene

2521 34th St. S.E.

Washington, D.C.

Owner ☒Agent ☐Tenant ☐Manager ☐

You are hereby ordered to:

Expiration  
Date

- ( ) Store garbage and trash in separate containers.
- ( ) Provide adequate rat-proof storage for trash.
- ( ) Provide adequate, covered, water-tight metal containers for garbage.
- ( ) Remove all loose trash, garbage, ashes and miscellaneous refuse from the premises.
- ( ) Raise stored materials to prevent rat harborages.
- ( ) Eliminate rat burrows.
- ( ) Rat proof premises. Close all openings through which rats may enter building.
- ( ) Eliminate rats by baiting or trapping, or both.
- ( ) Cease keeping fowls, pigeons, without a permit from Commissioners, D. C.
- ( ) Remove infestation causing unwholesome premises.
- ( ) Remove standing water caused by,
- ( ) Remove weeds more than 4" in height.
- ( ) Eliminate the hazard to children caused by unused or discarded icebox, refrigerator, freezer, locker,

other box, or container, as required by Sec. 1, Article XXXIX, Police Regulations.

1. ☒ Remove obstruction from, *Basement Water Closet - drain near yard - D.C. Health Ord. Sec. 102 -*

- ( ) Not place or permit to be placed refuse matter in obstructed
- ( ) Furnish adequate supply of running water for flushing water closet.
- ( ) Repair a leaky roof.
- ( ) Provide and furnish adequate heating facilities.
- ( ) Grade and pave yard, areaway properly.
- ( ) Abate a nuisance (as provided in the District of Columbia Code 1951 Edition: Title 5—Section 504) by,

The Director directs you to comply with this order by the expiration date appearing after each item, otherwise court proceedings may be initiated for the enforcement thereof.

P-4517

By order of the Director of Licenses and Inspections

*William C. Moreau Unit #1*  
Inspector—Housing Division

[Defts' Ex. 16, cont'd]

LE-2  
4-57

*Personal Letter to Mrs. Shaw (wife)*  
 DISTRICT OF COLUMBIA  
 DEPARTMENT OF LICENSES AND INSPECTIONS  
 Housing Division Field Office, 24 7 Street, N.W.

6-11-63 J. Ray

Order for the correction  
of conditions at

1348 Shepherd St NW

Date June 11, 1963

Ave. Street

No 1 T. J. Schaefer

No 2521 3rd St SE

 Owner ☒  
 Agent ☐  
 Tenant ☐  
 Manager ☐

You are hereby ordered to:

1. Replace broken and missing glass in back  
 mud front and rear doors, 1st floor storm door, 1st floor  
 kitchen and dining room, replace such cords as required 2nd floor  
 sleeping room, center sleeping room and rear sleeping room have  
 broken windows. See W.C. Lawrence, Inc. 2001 25th St

The Director directs you to comply with  
 this order by July 15, 1963  
 otherwise enforcement proceedings may be initiated  
 for the enforcement thereof.

By order of the Director of Licenses and Inspections

Inspector

Telephone: RA 6-8001 Ext. 651, 751 or 652

4-57



mail

DISTRICT OF COLUMBIA [Defts' Ex. 16, cont'd]  
DEPARTMENT OF LICENSES AND INSPECTIONS  
Housing Division

Washington, D. C.

4 Sept

1963

Order for the correction  
of conditions at

1348 Shepherd St. NW

No.

Avenue, Street

Mr. Thos. L. Shove  
2521 34th Street SE  
Washington DC

Owner ☒  
Agent ☐  
Tenant ☐  
Manager ☐

You are hereby ordered to:

Inspector's  
Date

- ( ) Store garbage and trash in separate containers.
- ( ) Provide adequate rat-proof storage for trash.
- ( ) Provide adequate, covered, water-tight, metal containers for garbage.
- ( ) Remove all loose trash, garbage, ashes and miscellaneous refuse from the premises.
- ( ) Raise stored materials to prevent rat harborages.
- ( ) Eliminate rat burrows.
- ( ) Rat proof premises. Close all openings through which rats may enter building.
- ( ) Eliminate rats by baiting or trapping, or both.
- ( ) Cease keeping fowls, pigeons, without a permit from Commissioners, D. C.
- ( ) Remove infestation causing unwholesome premises.
- ( ) Remove standing water caused by,
- ( ) Remove weeds more than 4" in height.
- ( ) Eliminate the hazard to children caused by unused or discarded icebox, refrigerator, freezer, locker, other box, or container, as required by Sec. 1, Article XXXIX, Police Regulations.
- ( ) Remove obstruction from, or repair leaky
- ( ) Not place or permit to be placed refuse matter in obstructed
- ( ) Furnish adequate supply of running water for flushing water closet.
- ( ) Repair a leaky roof.
- ( ) Provide and furnish adequate heating facilities.
- ( ) Grade and pave yard, areaway properly.
- (X) Abate a nuisance (as provided in the District of Columbia Code 1951 Edition: Title 5—Section 504) by,  
abandoned automobile (1962 Ford Sedan)

2/14/63

The Director directs you to comply with this order by the expiration date appearing after each item, otherwise court proceedings may be initiated for the enforcement thereof.

By order of the Director of Licenses and Inspections

Walter M. Evans  
Inspector—Housing Division



**DISTRICT OF COLUMBIA  
DEPARTMENT OF LICENSES AND INSPECTIONS**

Housing Division Field Office, 34 F Street, N.W.

[Defts' Ex. 16, cont'd]

Order for the correction  
of conditions at

1345  
No.

6th St NW  
Ave., Street

Date

9/26/63

M

T. J. Schere

No. 2521-34 SE

Owner ☒  
Agent ☐  
Tenant ☐  
Manager ☐

You are hereby ordered to

Whitewash sink in cooking room  
which has loose supporting tile joints  
and is not firmly attached to wall  
(Sec 2401) & replace missing ash box doors to  
Furnace (Sec 1201 DC Housing Reg)

The Director directs you to comply with  
this order by Oct 29, 1963  
otherwise court proceedings may be initiated  
for the enforcement thereof.

By order of the Director of Licenses and Inspections

Inspector

Telephone: NA 8-6000, Ext. 635, 751 or 608

P-4575

**DISTRICT OF COLUMBIA  
DEPARTMENT OF LICENSES AND INSPECTIONS**

Housing Division Field Office, 34 F Street, N.W.

Order for the correction  
of conditions at

1348  
No.

Shepherd St NW  
Ave., Street

Date

9/26/63

M

T. J. Schere

No. 2521-34 SE

Owner ☒  
Agent ☐  
Tenant ☐  
Manager ☐

You are hereby ordered to

Provide two separate electrical  
outlets, at least one of which shall be on wall  
on floor convenience outlet in rear of floor  
East and South Sleeping Room  
Sec 2404 DC Housing Reg.

The Director directs you to comply with  
this order by Oct 29, 1963  
otherwise court proceedings may be initiated  
for the enforcement thereof.

By order of the Director of Licenses and Inspections

Inspector

Telephone: NA 8-6000, Ext. 635, 751 or 608

P-4575

[Defts' Ex. 16, cont'd]

LI-H-2  
4-57

**DISTRICT OF COLUMBIA**  
**DEPARTMENT OF LICENSES AND INSPECTIONS**  
Housing Division Field Office, 34 F Street, N.W.

Order for the correction  
of conditions at

1348 Shepherd St NW  
No. Ave., Street

Date

9/26/63

M

T.J. Schene

No.

2521-34 SEOwner ☒Agent ☐Tenant ☐Manager ☐

You are hereby ordered to:

Repair rear porch lattice frame, which  
has rotted parts (Sec 2514) & cover exposed wood  
surfaces in rear of premises with paint or other  
preservation (Sec 2512 of Housing Reg).

The Director directs you to comply with  
this order by Oct 29, 1963  
otherwise court proceedings may be initiated  
for the enforcement thereof.

By order of the Director of Licenses and Inspections

Inspector

M. Blum - 1

Telephone: NA 8-6000, Ext. 635, 751 or 608

P-6575

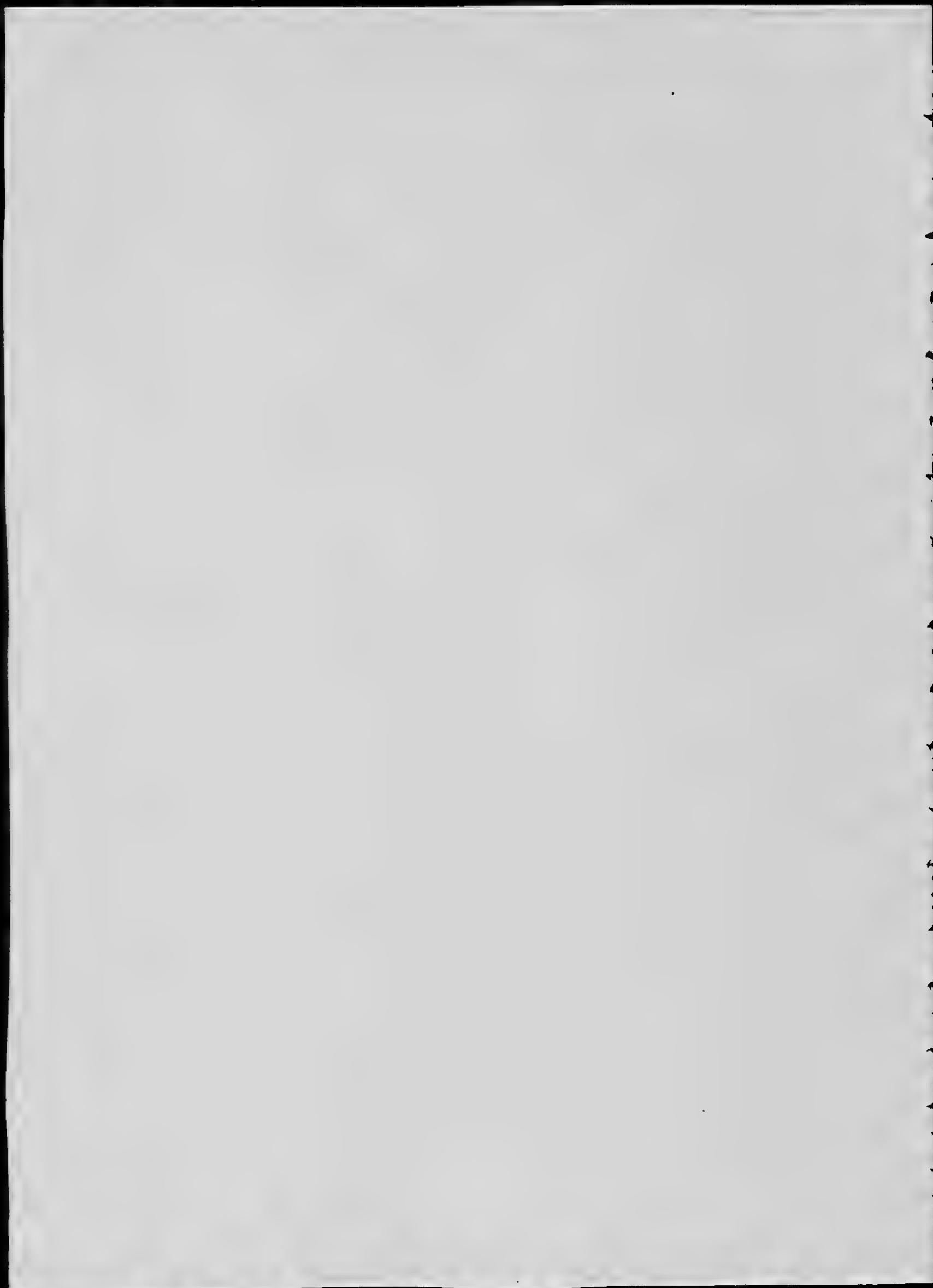
**FILED**  
**NOV 5**  
**HARRY M. HULL**

**DEFENDANT'S  
EXHIBIT  
NO. 17**

*Valis,*  
584-0578

*Robert Alldridge*  
**REAL ESTATE INVESTMENTS**

**DAY OR NIGHT** **REDWOOD 6-5738**



BRIEF FOR APPELLANTS

---

**United States Court of Appeals**

FOR THE DISTRICT OF COLUMBIA CIRCUIT

---

No. 19,774

---

THEODORE J. SCHEVE, ET UX.,

*Appellants,*

v.

RUSSELL LEWIS, ET UX.,  
LUEVONIA L. GAMBRELL and IDA KAY FLOYD,

*Appellees*

---

APPEAL FROM THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

---

United States Court of Appeals  
for the District of Columbia Circuit

FILED DEC 27 1965

*Nathan J. Paulson*  
CLERK

HERMAN MILLER  
421 4th Street, N. W.  
Washington, D. C.

*Attorney for Appellants*

## STATEMENT OF QUESTIONS PRESENTED

1. The question presented is whether appellees, who sought return of their property on grounds of fraud are entitled to the aid of an equity court where they failed to tender equity by reimbursing the appellants for payments on 1st and 2nd trusts, insurance premium payments, water bills, costs for repairs necessary to eliminate D. C. Housing Violations issued against the property and costs for other repairs and improvements, all of which totaled \$8,705.04, less rents collected of \$3766, leaving \$4,939.04 unreimbursed and on which the trial court allowed appellants only \$752.43.

2. Another question presented is whether the appellees proved any fraud by clear and convincing evidence of being importuned in executing a contract of sale and deed at the title company, and at which time the appellees made no effort or attempt to read the instruments, nor were they prevented from doing so, nor at the time did they request anyone to read the same to them.

3. Another question is whether there was any proof at all that the person charged with such importuning was the agent of the appellants when the only proof in the case showed he was an independent real estate speculator acting for himself and not under the control, nor hire of the appellants, who had no knowledge nor participated in the transaction and to whom the contract was later assigned.

4. Another question is whether the appellees claiming fraud and after the transaction was presented with a lease which they executed and thereafter defaulted in rent payments which resulted in their being sued several times in the Landlord and Tenant Court over several months' period, and also received receipts clearly marked for payment of rent, could later disaffirm the contract and sue for rescission, after having affirmed the contract by such payments.

## INDEX

STATEMENT OF QUESTIONS PRESENTED .....	i
JURISDICTIONAL STATEMENT .....	1
STATEMENT OF THE CASE .....	2
SUMMARY OF ARGUMENT .....	22
ARGUMENT:	
I. The Court Erred in Requiring Payment to Appellants of Only \$752.43 and Not the Full \$4939.04 Still Due and Unpaid to Appellants and Not Applying Principle That "He Who Seeks Equity Must Do Equity" .....	23
II. No Fraud Was Proved by the Appellees, Which Proof Required Clear and Convincing Evidence .....	25
III. There Was No Proof That Alldridge Was the Agent of the Appellants .....	28
IV. The Court Erred in Decreeing Rescission When Appel- lees Knew, or Should Have Known of the Alleged Fraud, Thereafter Accepted a Lease, Paid Rent, Received Re- ceipts Which Were Clearly Marked Rent and Accepted Complaints and Summons From Landlord and Tenant Court and Thereafter Paid Rent .....	29
CONCLUSION .....	29

## TABLE OF CASES

Allied Steel Convoys v. Ford Motor Co., 277 F.2d 907 (6th Cir.) .....	27
Annapolis Co. v. Wardman, 59 App. D.C. 321, 41 F.2d 111, cert. denied, 51 S. Ct. 74, 75 L. Ed. 766 .....	25
Bank of Columbia v. Dunlop's Heirs, 3 Cranch 414 .....	25
B & O RR v. Morgan, 32 App. D.C. 195 .....	27
Brownley v. Peyser, 69 App. D.C. 56, 98 F.2d 337 .....	25
Crestwell v. Lanham, 2 MacArth. 848, affirmed, 101 U.S. 347, 25 L. Ed. 853 .....	25
Jasseli v. Riggs National Bank. 36 App. D.C. 159 .....	27
Kent Homes v. Frankel, 128 A.2d 444 (D.C. App.) .....	29
Lesnick v. Hanneck, 61 A.2d 491 (D.C. App.) .....	27
Magaw v. Huntley, 34 App. D.C. 25 .....	26



## TABLE OF CASES (Continued)

Mack v. American Security and Trust Co., 89 U.S. App. D.C. 324, 191 F.2d 775 . . . . .	28
McDonald v. Stone, 86 A.2d 624 (D.C. App.) . . . . .	28
Patterson v. Reece, 113 U.S. App. D.C. 74 . . . . .	27
Ridgeway v. Hals, 5 Cranch 23 . . . . .	25
Riss Co. v. Association of Western RR, 157 F. Supp. 288 . . . . .	28
Stern Co. v. Moneyweight Scale Co., 42 App. D.C. 162 . . . . .	26
Talbott v. Hill, 49 App. D.C. 96, 261 F. 244 . . . . .	25
Toledo Scale Co. v. Garrison, 28 App. D.C. 242 . . . . .	27
United States v. Belt, 47 F. Supp. 239 . . . . .	25
Wilson v. Swann, 168 A.2d 198 (D.C. App.) . . . . .	27
Wyatt v. Madden, 59 App. D.C. 38, 32 F.2d 838 . . . . .	29

# United States Court of Appeals

FOR THE DISTRICT OF COLUMBIA CIRCUIT

---

No. 19,774

---

THEODORE J. SCHEVE, ET UX.,

*Appellants,*

v.

RUSSELL LEWIS, ET UX.,  
LUEVONIA L. GAMBRELL and IDA KAY FLOYD,

*Appellees*

---

APPEAL FROM THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

---

## JURISDICTIONAL STATEMENT

This is an appeal from a final judgment of the United States District Court for the District of Columbia. This Court has jurisdiction under Title 28, Section 1291, United States Code (1958). The Court below had jurisdiction over the subject matter of this dispute under the authority of Title 11, Section 306, D. C. Code (1961), which has been renumbered as Title 11, Section 521 (Fourth Supplement).

## STATEMENT OF THE CASE

The pre-trial order (J.A. 8-15) shows that appellees (plaintiffs below) claimed that the appellants (defendants below) had their alleged agent, Robert Alldridge, represent to appellees that he could refinance their property, and for that purpose said agent presented certain documents and importuned the appellees to sign on the representation that they were necessary for such refinancing. Appellees also claimed that said agent did not give them an opportunity to examine or read these documents and that their signatures were obtained solely on such representations. Appellees further claimed that these representations were false and fraudulent since the appellants obtained legal title to the property for no consideration. Appellees requested that they be declared to be the owners of the property, or alternatively, for a judgment for \$20,000.00 for the value of the property and actual and punitive damages in the sum of \$100,000.00 for unjust enrichment.

Under the undisputed facts set forth in said pre-trial order, appellee Lewis had been the owner of the property about July 19, 1954, and for a loan made to him by Gambrell and Floyd, his sisters, to pay debts, he deeded the property to them. (J.A. 27) On September 20, 1962 there were three deeds of trust on said property as follows (Defendants' Exhibit 9, Schedule "A", J.A. 144):

- (1) Eastern Building Association dated October 6, 1950 for original sum of \$7,500.00;
- (2) Consolidated Properties, Inc., same date for original sum of \$5,500.00; and
- (3) Kalavritinos Realty Co., same date for \$1,000.00.

On or about September 1962, after appellee Lewis tried to get money from his sister to pay the arrearage on his trusts, of which he had been notified but did not succeed in securing (J.A. 26, 32), the proper-

ty was then advertised for foreclosure sale. On last mentioned date all of the appellees signed a contract to sell to Robert Alldridge for \$8,000.00, payable \$50.00 cash, and the purchaser to assume first trust of approximately \$2,400.00 and a second trust of \$5,500.00. (Defendants' Exhibit 9, J.A. 142) This contract also provided appellee Lewis was to remain as tenant "as per lease." On October 1, 1962 appellees, Russell and Mabel Lewis, executed a one year's lease commencing October 1, 1962 for rent of \$1,500.00 payable \$125.00 per month. (Defendants' Exhibit 5, J.A. 128) On September 20, 1962 appellees, Gambrell and Floyd, deeded their interest in said property to appellants. (Defendants' Exhibit 3, J.A. 122; this deed was recorded on October 30, 1962.) By quit-claim deed dated September 20, 1962 Appellees, Lewis and his wife, conveyed their interest to appellants. (Defendants' Exhibit 4, J.A. 125; this deed was recorded November 16, 1962.)

The undisputed facts recited in the pre-trial order also show that on February 14, 1963 appellant Theodore J. Scheve obtained judgment for possession for non-payment of rent against the appellees Lewis in District of Columbia Court of General Sessions (Case No. L & T, 91583-62) on which a writ of restitution was executed April 16, 1963. Said pre-trial order also shows that Scheve controlled the property since that time; none of the appellees have ever made any payments or tendered any payments on the trusts since sometime prior to September 20, 1962, and all of the trusts were in default prior to August 2, 1962. (J.A. 8, 9)

Under the undisputed facts stated in pre-trial order the property was subject to the three deeds of trust and the holder of the second trust had ordered and advised a foreclosure sale and none of the appellees were able to make any payments on any of the trusts to prevent the foreclosure, and if the sale had taken place, it would have resulted in appellees' loss of the property, and the signors of the three deeds of trust might have been subject to a deficiency judgment for any balance

remaining under the second trust and for all of the third trust. The appellants denied that Alldridge was their agent but stated that said Alldridge, on his own, entered into a written contract with appellees on September 20, 1962 to buy the property for himself for \$8,000.00; \$50.00 to be paid in cash and he, Alldridge, was to assume the first and second trusts; that he was also required to pay, in cash, such sums as was necessary to bring current the payments on the second trust, and pay all of the foreclosure costs. The appellees did not disclose the existence of the \$1,000.00, of which they knew, and by their silence, misrepresented the number of liens on the property as well as the total indebtedness due. Appellants asserted, by said pre-trial order, that this contract made with Alldridge was subsequently assigned to them and they took the same without a title search because of lack of time created by date of the foreclosure sale, and they did not learn of the \$1,000.00 third trust dated October 6, 1950 until after September 20, 1962; at time of the assignment of the contract to them they reimbursed Alldridge the \$50.00 and paid to the trustees, under the second deed of trust, \$752.43 which was the arrears and foreclosure expenses of the advertised sale. In said pre-trial order, appellants claimed that appellees knew the nature of the transaction, had the opportunity of examining all of the documents signed by them, and agreed to the transaction; that the property was incapable of being refinanced because it was loaded with all the encumbrances it could carry; and in addition, that it was in a dilapidated and rundown condition, requiring many repairs.

The appellants, in said pre-trial order, stated that on October 1, 1962 the appellees, Lewis, executed the lease for the premises and remained in possession until they were evicted in a Landlord and Tenant proceeding because of non-payment of rent. They further asserted that appellees had little equity in the property because of the number of encumbrances and its rundown condition; that the total value did not exceed \$13,500.00. By said order the appellants also claimed that the

appellees were not entitled to any relief on the basis of the facts, because of their misrepresentation of the number and total of the encumbrances, and their failure to do equity by tendering any sums found to be due. The appellants claimed that their investment in the property was \$10,345.00. The pre-trial order showed a claim for repairs to the property without any stated amount as then being unknown. (J.A. 8) The appellants' counterclaim was for rent due under the lease and advances made to Lewis for moving. The appellees denied the counterclaim. The stipulation shown in the pre-trial order included the undisputed facts. (J.A. 8-15)

The findings of fact, made by the Court after the trial, included most of the undisputed facts of the stipulation contained in the pre-trial order. In addition, in substance, the said findings also included a statement that Alldridge was known to officials of title company as an associate of appellant Scheve in various real estate transactions and, the property, at time of transfer to Scheve, was worth about \$13,500.00; that at time of signing of papers at the title company, due to importuning of said Alldridge, none of the appellees were given the opportunity of reading or understanding them, and following the signing of the deeds the names of the appellants were inserted. The appellant Theodore J. Scheve advanced \$752.43 in order to stay the foreclosure in October 1962 and, in the conclusions of law, the Court held that by the fraud and misrepresentation of Alldridge who, "at that time was acting as agent for and on behalf of defendants (appellants)," the appellants had been unjustly enriched at expense of appellees in sum of \$5,326.00 less \$752.43, and appellants were entitled to be repaid the amount of money which they advanced to prevent the foreclosure sale, to wit, \$752.43." (J.A. 19-21) (Underscoring supplied) On April 12, 1965 the Trial Judge entered an order declaring the real estate to be the sole property of the appellees, and entered judgment for the appellants "on their counterclaim in amount of \$752.43." (J.A. 15) (Underscoring supplied) It

should be noted that the appellants did not counterclaim for this sum. This order required findings of fact and conclusions of law with citations to the transcript of the record to substantiate said findings and conclusions, within ten days from the entry of said order (April 12, 1965). The findings of fact and conclusions of law were undated and filed September 3, 1965. (J.A. 19) On September 3, 1965, the Court signed an order declaring the property to belong to the appellees, and appellants were awarded judgment in sum of \$752.43 on their counterclaim, and the parties were directed to comply with the terms of the judgment within thirty days from the date of said order. (J.A. 24) On October 1, 1965, notice of appeal was filed by the appellants. (J.A. 21)

The evidence adduced at the trial which commenced March 16, 1965, showed that the complaint was filed July 28, 1963, and that during all of this time between 1963 and 1965 the appellant, Mr. Scheve, controlled the property, and, in order to protect it and prevent the Eastern Building Association and the second trust of Consolidated from foreclosing because of non-payment of the monthly installments, the appellant Theodore J. Scheve paid such monthly installments totaling \$4,426.43 to August 11, 1965, which included the \$752.43 originally advanced by him to prevent the initial foreclosure. In addition, in order to prevent loss from fire and the repairs made, Scheve paid out an additional \$4,278.61. Defendants' Exhibit 16, consisting of 13 pages, which are inspection notices and requirements from the District of Columbia Department of Licenses and Inspections requiring many repairs to the property, established the requirement for repairs. The total sums so expended by the appellant Theodore J. Scheve was \$8,705.04. Since taking control of the property in April 1963 to and including the month of August 1965 he collected rents of \$3,766.00, leaving \$4,939.04, advanced by said appellant for which he was not reimbursed, plus \$406.41, for interest on sums advanced from the date of such advance, making a grand total due said appellant of \$5,345.45, for which the Court did not see fit to order re-



payment. In September 1962, the first trust balance was \$2,850.53, and the balance in August 1965, was approximately \$1,065.92, making a gain in equity of \$1,784.61, and the second trust balance in September 1962 was \$5,324.88, and in August 1965 said balance was approximately \$4,764.63 making an additional gain in equity of \$560.25, for which the Court, by allowing only reimbursement of original advance and payment made by said appellant of \$752.43, made appellants' loss of said \$4,764.63, on account of which appellees received the benefit without payment in said sum, on both trusts of \$1,592.43, not including reimbursement for repairs as above of \$4,939.04 (J.A. 22, 23)

There was no evidence upon which the Court could base its conclusion that Alldridge was acting as agent for appellants, or that appellants had any knowledge concerning the transaction. The evidence adduced shows the following:

The appellee Russell Lewis after stating his marital status, his purchase of the property, and his delinquency in payments which resulted in the property being advertised for foreclosure (J.A. 25, 26) testified as to his relationship with Alldridge, namely: Alldridge, after the property was advertised, called him stating that he wanted to help save his house, and he, the appellee, got notice to come to K Street with his sisters, Gambrell and Floyd, to sign some papers. (J.A. 26) The reason for the sisters' being called was that they had loaned him some money and he placed the title in their names until he could pay it back. At the K Street title company he and his sisters signed some papers. In this connection he stated as follows (J.A. 27):

"Well, he had all the papers there on the desk and, he told my sisters to sign them first and they did. And then me and my wife got up and signed the papers. And he had all the papers there and all the copies and we signed the papers. After we signed the papers my sisters left. He told me he was through with them.

"Q. Did he or did he not do anything to obscure the papers before you signed them?

"A. No, sir.

"Q. Now, at that time time did you know Mr. Scheve?

"A. No, sir."

This appellee, on cross-examination, stated that he was night foreman, in charge of 30 people working at Briggs Filtration; that he kept records showing what these 30 people did, and that he kept a manifest as to material parts they would use and what was needed to work on, such as screws and bolts. (J.A. 28, 29)

This appellee also stated that he didn't tell Alldridge the amounts of the balances of the first and second trusts, nor did he ask, nor were settlement charges discussed. The only thing this appellee mentioned was that he needed \$600.00 to pay his sisters. (J.A. 33)

He made the following statement (J.A. 34):

"Q. Did he tell you how he would get it for you?

"A. He said a friend — or he had a friend who would take care of it for me.

"Q. What were you going to give him for the \$600.00?

"A. Well, I know I had to pay interest on it.

"Q. Well, were you going to give him a note, a mortgage, deed of trust, or what?

"A. Going to give him a mortgage.

Again, on the same page:

"Q. Did you tell him where you were making the payments?

"A. No, sir. I didn't.

Again, referring to J.A. 35 and Defendants' Exhibit 2:

"Q. And how about your brother-in-law?

"A. He wasn't with us.

"Q. Well, how does his name get on there, down at the bottom (51) between where it says John L. Floyd?

"A. I don't know, sir.

"Q. He wasn't there?

"A. This is right.

"Q. You signed no papers in your home before you went to the title company?

"A. No, sir.

\* \* \*

"Q. When you got there you all sat down at this table.

"A. Yes.

"Q. And did Mr. Alldridge sit down at the table too?

"A. Yes, sir.

"Q. Were you all one one side of the table or were some of you on one side and some on the other?

"A. All of us were on one side of the table.

"Q. And he was at the head of the table, wasn't he?

"A. He was across in front of us.

"Q. Now, he gave you some papers to sign?

"A. Yes, sir.

"Q. And where was Mr. Alonzo sitting with respect to this table?

"A. Mr. Alonzo didn't sit. He stood up all the time."

Again on J.A. 36:

"Q. Did you see him give your sisters the papers to sign?

"A. Yes, sir.

"Q. You don't know how many papers he gave her?

"A. I don't know how many it was but it was more than one?

"Q. All right. Which sister are you referring to that he gave the paper first?

"A. Gambrell.

"Q. Now, when he handed her the paper to sign which he put in front of her. He had his hand on it?

"A. Just like that.

"Q. Did your sister say, Now take your hand away, I want to read this?

"A. No, sir.

"Q. Was there anything other than the fact his hand was there to prevent her from reading the paper?

"A. No, sir.

"Q. Now, when she signed it, what did he do next?

"A. He said, Let the next one sign it.

"Q. And who was the next one?

"A. My other sister.

"Q. And where was she sitting?

"A. Right next to her. Both of them were sitting side by side.

\* \* \*

"Q. Did your other sister, Mrs. Floyd, ask that she be permitted to look at the paper?

"A. No, sir."

Again, on J.A. 37:

"Q. All right, now. Did you ask him to let you look at the paper?

"A. No, sir.

"Q. You said you could not read?

"A. That is right.

"Q. Did you ask him to read the paper for you?

"A. No.

"Q. Did you ask Mr. Alonzo to read the paper for you?

"A. No, sir."

Again, on J.A. 38:

"Q. Did you ask your wife or sister to read the paper to you?

"A. No, sir.

"Q. Did you make any effort to bring anybody with you to read the paper, when you got there, for you?

"A. No, sir."

This witness testified that his sisters did not get the \$600.00; that no arrangements were made about getting the money; that he made no specific inquiry concerning when his sisters would get this money, and that he did not ask what the amount of the new first trust would be. (J.A. 38) Also, this appellee never asked the appellant Mr. Scheve for the \$600.00. He stated he was not to start payments until the time Mr. Scheve called him or wrote him a letter, at which time Mr. Scheve told him that he, Scheve, was the new owner. This appellee admitted

he received Defendants' Exhibit No. 6 (Landlord and Tenant summons), and he requested one his boys to read it to him; that he found out from his son that the paper claimed rent of \$125.00 from November 1st to December 1st, and thereupon he mailed Mr. Scheve the money, but did not mail the court costs of \$4.25, though at the time the \$600.00 had not come from the title company. He could never see Mr. Alldridge to find out about the \$600.00 and he never went to the Legal Aid. (J.A. 40)

When he received the court paper he did not ask his boss about it. He admitted he received the receipts as shown in Defendants' Exhibit No. 1 (J.A. 118), but he did not pay any attention to the notations on the receipts. (J.A. 41) This appellee never made any effort or offer to pay Mr. Scheve back the money which was paid to stop the foreclosure sale. (J.A. 42, 43)

The appellee Ida Kay Floyd gave the following testimony concerning the transaction and her relationship with Mr. Alldridge. Referring to Alldridge (J.A. 45) she was asked when she first met him to which she replied that it was at the title company on K Street. He had brought up some papers, the exact number she did not remember, and the following also was stated by her in direct examination:

"Q. Did you have an opportunity to read the papers that you signed?

"A. No, sir, I didn't have that much time.

"Q. Why not?

"A. We worked at a beauty shop and we had appointments, and we only had time to rush down there and sign the papers and rush back to our jobs."

On cross-examination (J.A. 46) this appellee stated the following:

"Q. Mrs. Floyd, the first thing you knew about this transaction is when your brother asked you to come to the title company?

"A. Yes, sir.

"Q. You never discussed the matter with Mr. Alldridge prior to that time?

"A. No, sir. I don't know Mr. Alldridge.

"Q. Did you know this property, which was in your and your sister's names, was being foreclosed in the paper?

"A. No, sir, I didn't know that.

"Q. Your brother never told you?

"A. No, sir.

"Q. Can you read and write?

"A. Yes, sir. I can read and write.

"Q. What grade of school did you go to? (p. 47)

"A. I went through the 11th grade, sir.

"Q. Do you know how far your sister went?

"A. My sister went around about the 6th grade, sir.

"Q. Can she read and write?

"A. Yes, sir, she can both read and write, sir.

"Q. Nothing was discussed in your presence?

"A. Nothing was discussed in my presence. Only the signing.

"Q. Did you ask him to let you read it?

"A. I certainly did not.

"Q. Did you in any way attempt to read it?

"A. I did not, sir, because I thought it was already prearranged before we got there.

"Q. And you asked him no questions?

"A. I did not, sir."



This appellee did not request Mr. Alldridge to give the \$600.00, nor did she ask him when she could expect it. She never received the \$600.00, nor did she contact or write the title company about it. She never wrote to Mr. Scheve because she had neither spoken to him nor knew him. After her brother was evicted she made no inquiry or effort to find out where Mr. Alldridge was to get her \$600.00. (J.A. 47, 48)

Mrs. Gambrell stated (J.A. 49) that she would have read the papers if she had had more time, nor did she request that she be permitted to read them as she was in a rush.

Mrs. Mabel Lewis, the wife of the appelle Russell Lewis, testified in substance as follows:

She had other property and had attended the real estate settlement of her Grant Street property, renting this property to four tenants, making payments on the two trusts and paying the expenses. When Mr. Alldridge first came to her house, her husband did not inform him how much was owing on the Shepherd Street property at that time, nor did he say anything about the amount of payments due. At the title company she did not ask Mr. Alldridge to let her read the papers, nor was anything stated as to what fee Alldridge was going to charge for his services, nor was the amount to be secured discussed. He did mention the third trust of \$1,000.00 and \$600.00 was required above \$9,000.00, but that nothing was discussed as to the foreclosure charges, nor what the new monthly payments would be (J.A. 51-53) She admitted payments of \$100.00 per month could not be met, and she did not know what the new payments would be. (J.A. 54-55)

Mr. Howard Bernstein stated that, as far as he heard, his employee Mr. Alonzo, a notary, never acted as such without the people being present, and that at the time of the trial Mr. Alonzo was out of the country with the Armed Services in Germany. This witness stated (J.A. 60) that he knew Mr. Alldridge was in the real estate business buying

and selling property. He also stated that Mr. Alldridge owed his company a bill. (J.A. 60)

The appellants, in their case, called Mr. Alldridge as a witness who testified in substance as follows:

In the year 1962 he lived in Upper Marlboro, Maryland and he bought and sold real estate himself; he did not hold a real estate license either in the District of Columbia or Maryland. (J.A. 61) In 1962 he was a real estate speculator and he got leads through watching the newspaper foreclosure sales. He also knew appellant Theodore J. Scheve but he never had any joint offices with him, nor did he ever work for Scheve as a salesman of any kind, nor did they act as partners. He knew Scheve by meeting him at a foreclosure sale in 1952. He has had transactions, from time to time, with Scheve, but they were very irregular and few in number. (J.A. 62, 63) This witness stated (J.A. 63), with emphasis, that he had never acted as an agent or an employee for Scheve. He also stated that the kinds of transactions that he had with Scheve, were where he, Alldridge, had contracted to buy property, he would sometimes assign his contract for a consideration, and sometimes after he had purchased he then decided he didn't want the property and turned it over to Scheve. Alldridge stated that he had these types of operations with other persons, naming at least five other unrelated persons. (J.A. 63-64)

He stated he first became acquainted with 1348 Shepherd Street from an ad in the newspaper, as he generally looked at the paper for these ads, and that he had not previously or at that time worked for Mr. Scheve and that he was not associated with him in business, nor were they partners, nor did Scheve work for him. He further stated that at that time Mr. Scheve had not acquainted him with the advertisement, making special emphasis in this denial. (J.A. 65) He did not speak with Scheve about this ad or this property at that time. He called appellee Lewis and went over to the house and discussed the existing encum-

brances on the property and was informed by Lewis that there were two encumbrances. Mr. Lewis produced his book and at that time produced Defendants' Exhibit No. 11, from which he ascertained the total of the two trusts. He informed Lewis that it could not be financed, because of the condition of the property, and asked him if he wished to remain in the property to which he received an affirmative answer. He asked Lewis if he, Lewis, were permitted to remain, would he, Lewis, turn over the property to him if the sale were stopped and Lewis agreed. He informed Lewis that if the property was foreclosed Lewis would be subject to a deficiency judgment, and thereupon they came to an understanding that if everyone connected with the property would sign over their interest he would put up the money to stop the sale, and give a lease which would permit Lewis to remain as long as he made payment; that he was not going to give Lewis any money. Up to this time he had not spoken to Mr. Scheve about this property, nor did Scheve direct him to the property. To his knowledge Scheve did not know anything about the property, nor about his, Alldridge's, going to the property that day. Alldridge described the property as being in disrepair; the window sills and frames, the porch needed repairs, and the property was in a deplorable condition. When he left, it was understood he, Alldridge, would make arrangements at the title company to sign the papers; he ordered title examination; he made an appointment and so informed appellee Lewis, and thereupon arranged to meet at the title company. (J.A. 64-68)

Alldridge had the deed prepared 15 to 20 minutes before the appellees arrived. He stated he prepared the contract, in triplicate all in his own handwriting, Defendants' Exhibit 2, at the title company. He wrote the contracts when the appellees were in the settlement room, and that Mr. Alonzo was present at the time everyone signed the papers. The transaction had been previously discussed, and he also discussed with the others at the title company what they were to sign, and that they were conveying the property and transferring ownership and he there-

upon requested each one of the appellees to sign and passed the papers around the table. In presenting the papers for signature he did not put his arm over them so that the parties could not see them, but he took each individual paper and requested the same to be signed. The parties were requested to acknowledge the deeds, including Lewis with respect to the quit-claim deed, and he, Alldridge, witnessed all of the signatures. He stated Scheve's name got into the deed later as he usually left the names of the grantees blank so that he can use a straw party as he normally does not take title in his own name. He stated at the time he was at the title company he had not received a report on the title and did not receive any information as to how many trusts were against it, but accepted Lewis' statement of only two trusts. He did not know about a third trust of \$1,000.00. When he later received the preliminary report he called Mr. Lewis who didn't remember it. (J.A. 70-73) This witness denied (J.A. 73) that he had told anyone that he was financing the property and that the payments were going to be reduced, or that he was going to take care of his fees out of the settlement, or that Mrs. Gambrell and Mrs. Floyd were going to get \$600.00. He stated he gave Mr. Lewis a copy of the sales contract, Defendants' Exhibit No. 2. Up to this time he had not discussed the transaction with Scheve, nor did he have any arrangements or deals with Scheve on this property. (J.A. 73) A couple of days later he first contacted Mr. Scheve about this property and turned it over to him. He also stated he had paid Mr. Lewis the \$50.00 called for in the contract. He informed Scheve that he, Alldridge, had made a deal on this property and did not then want it, as he had changed his mind, and asked Scheve if he wanted it. This was the first time he talked to Scheve about it. At the time Alldridge had not paid any money to stop the sale and the sale was still being advertised. After he talked to Scheve, and Scheve agreed to take it over, that is when he put Scheve's name in the deeds. He wasn't present when the money necessary to stop the sale was paid to the trustee, Mr. Paroni. He had never agreed to pay any of the appellees any sums in ex-

cess of the \$50.00. After the transaction he contacted Mr. Lewis about the rental agreement, Defendants' Exhibit No. 5, which was his handwriting and which he prepared in Mr. Lewis' home. He prepared two copies and the Lewis' signed them both at their home, and he then got Mr. Scheve to sign both copies. Scheve stated he would see that Lewis got one copy. He stated that Scheve reimbursed him his expenses of around \$50.00. Thereafter, he had nothing more to do with the transaction. (J.A. 75-76)

In Alldridge's cross-examination (J.A. 77-81) nothing developed to show that he was in any way acting in any manner whatever for Scheve. It was only after Alldridge determined that he could not get any kind of a loan on the property that he turned it over to Scheve (J.A. 79)

The uncontradicted evidence given by a real estate expert, Mr. Milburn J. Donohoe, Jr., whose qualifications were stipulated, and who was shown a number of housing violations from the District Government, was that in his opinion the value of the property in September 1962 was \$9,000.00. (J.A. 82-88)

Theodore J. Scheve's testimony appears at J.A. 89-115. He stated that he was in the contracting business, home improvement work and that he was a real estate investor, and a buyer of mortgages as investments for his own accord.

He emphatically denied (J.A. 90) that Alldridge was his employee or had worked for him; was his real estate broker; in any way working to acquire property for him; having control over anything Alldridge did, and that he had never an office of any kind with him. He met Alldridge by attending some of the same auction sales which Alldridge attended and sometimes saw him at the title company. His only dealings with Alldridge were when he, Alldridge, would call him by phone to see if he was interested in buying property that he had and these kinds of dealings were sporadic. Scheve stated he had similar transactions with other speculators, naming at least six other persons with similar ac-



tivity as Alldridge, and that prior to 1962 Alldridge submitted 3, 4 or 5 properties which he consummated. In any of the dealings with Alldridge he in no way directed his activities, have any interest one way or another, or paid Alldridge anything to locate property. About September 22nd or 23rd, 1962, Alldridge contacted him about the subject property and gave him the address. Prior to this time he did not know about this property or that it was being advertised for foreclosure, nor had he ever met the appellee or spoken to any of them. Alldridge first told him that he, Alldridge, had bought the property and arranged to rent it back, which was one of the conditions of his purchase for \$8,000.00, and he, Alldridge, wanted to get out of the deal because he didn't have enough money at that particular time to lay out until he could get it refinanced, and offered it to him. After he looked at it, he stated he would take it. Although he went to see the property, he did not go in or talk with the Lewises.

Alldridge did not tell him, in any manner, how he had acquired the property, except that he had bought it and was required to rent it back, and he, Scheve, would have to honor this agreement. Scheve testified that he was not informed of any discussion regarding refinancing. He was informed that the rent would be \$125.00 per month, and that the payments were \$105.00 monthly, and that around \$800.00 had to be put up to stop the foreclosure sale to be paid to Frank Paroni, who was one of the trustees, and who was an officer of the District Title Company. After he made the agreement with Alldridge he contacted Paroni who asked him to bring cash or a certified check, and upon payment of \$752.23 he obtained a receipt and stopped the sale. (Defendants' Exhibit 12) Up to the time he made this payment he had not met the appellees or talked with them. He stated he had not participated in obtaining the deed. Alldridge informed him that he had the deed because he had bought the property, but he didn't get the deed right away, and he called Alldridge by leaving a message for him with his answering service. He kept calling him as he had put up the money and he wanted his

deed, and he obtained it about a week later. At the time he paid Paroni he had not seen or received the title report, nor had Alldridge informed him of any encumbrances on the property beyond \$8,000.00. He stated he had nothing to do with instructions to the title company as to the preparation of the deed.

When Scheve received the deed Alldridge stated that he was purchasing from him and the manner of the deed was to save double recording charges. Alldridge had not informed him that at the time the deed was executed it had been signed in blank, but he was informed that there was also a quit-claim deed executed, explaining this last deed that the Lewises claimed they were the owners of the property, and he was waiting for the quit-claim deed to be given him before recording the first deed, but as it took longer than he anticipated he went ahead and recorded the first deed as Alldridge kept telling him that it was in his file and kept forgetting about it. He had nothing to do with ordering the preparation of the quit-claim deed or its execution, nor did he know that it had been executed in blank. Scheve stated that he received Defendants' Exhibit No. 9, the title policy, sometime after he had gotten the deeds but that Alldridge had verbally informed him after he received the deeds that there was a third trust of \$1,000.00 on the property; and if he had known about a third trust he would not have purchased the property. When he learned of the third trust he raised Cain with Alldridge. Alldridge stated he had received a verbal statement and there were errors, and he was passing on only what they told him.

After he received the two rental agreements from Alldridge, which he had nothing to do with their signing, he signed one and returned one to the Lewises. Up to that time he had not met the appellees.

He stated the Lewises did not pay their rent and he had to file a landlord and tenant action for possession for non-payment. He filed Defendants' Exhibit No. 6 for \$125.00 which was paid, but the \$4.25 costs were not paid. He also filed Defendants' Exhibit No. 7 on which



he received the rent but again, not the costs, which costs now totaled \$8.50, and the receipt he gave reflects this. Thereafter the rent again was not paid, and he arranged for the eviction. On April 1st, \$100.00 had been left and he called Mr. Lewis and told him he could not do business in this manner and to find another place and that he would return the \$100.00 which he did and gave it to a Mrs. Pruitt. This sum, the appellees stipulated, was received back. Lewis did not move as agreed, although he never returned the \$100.00 and eviction had to be made.

Scheve stated that the first time he heard that Alldridge was going to refinance for the Lewises was in the courtroom. At the time of the eviction none of the appellees ever made any objection about the sale, or any objection that Lewis was not a leasehold tenant paying \$125.00 per month; he had never talked to appellees Gambrell and Floyd.

The appellant described the condition of the property and what repairs be made (J.A. 107-111). In stating the condition of the property, Scheve testified that after the Lewises were out of the property, he inspected the interior and exterior more closely and found the following conditions:

It was loaded with debris.

Cobwebs were all over, the plaster was falling in the living room.

Leaks were in the bathroom.

Furnace was loaded with ashes and nothing could be burned.

The grates in the coal-fire furnace were gone.

The window glass and sash cord were broken.

Odor was in the rear of which the neighbors complained and which was coming from the missing basement toilet, the bowl was broken and sitting in another part of the basement. Only a hole existed where the plumbing ought to have been.

The plumbing (water line) was not running to where the toilet would normally have been.

The front porch leaked and was badly in need of re-

pair causing damage to the porch itself.

Spouts were off.

Kitchen sink was hanging off of the wall.

Tile on one side of the kitchen sink was coming off the wall and was loose.

The gas stove was condemned.

The shades were gone off the windows or broken.

The front door, storm door and door handles were in bad shape.

Exterior woodwork was dry and blistered down to the bare wood and there was no paint.

Parquet floors were in poor shape.

There was a leak in the main living room and the plaster oxidized and became crumbles and dirty and deteriorated.

Extermination was required.

He stated that he improved the property and was there every day fixing it. Thereafter, he started getting Housing Orders from the District of Columbia. (See Defendants' Exhibit 16, J.A. 111). He testified to the corrections of the above defects and also of the additional work which was done by him in the premises.

None of this testimony was contradicted by the appellees.

The appellant Scheve testified that he paid the monthly payments on the trust and that he had assumed them.

Scheve testified (J.A. 114) that he would like his counterclaim to be for what he was entitled to, and he was making claim to what sums he was entitled.

### SUMMARY OF ARGUMENT

1. The Court erred in refusing to require the appellees to reimburse the appellants for all sums advanced by them for monthly payments on the first and second trust, payments for water, insurance,

maintenance and repair charges less the rents received as a condition precedent to returning the property to the appellees, and in this connection entering judgment for \$752.43 only.

2. The Court erred under all of the evidence in holding that the appellees had proved fraud by clear and convincing evidence to the effect that the appellees had been importuned to sign certain documents presented to them when the appellees made no effort whatsoever to read the documents, made no request to be permitted to read them, made no request to have said documents read to them and made no effort to understand the documents.

3. The Court further erred under all of the evidence in holding that there was any proof whatsoever that Alldridge, who was a party to the transaction with the appellees, was the agent of the appellants, or that the appellants, in any way, knew of or participated in the transaction between the appellees and the said Alldridge or that they were put on any notice as to the manner of procuring the deed under the contract which was assigned to said appellants.

4. The Court erred in permitting a rescission of the contract, and returning the property to the appellees, based on said claim of fraud, although the appellees learned of the alleged fraud, or was possessed of such facts, by thereafter signing a lease, paying rents, receiving rent receipts and several landlord and tenant complaints and summonses for possession based on non-payment of rents, thereby affirming said contract.

### ARGUMENT

1. The Court erred in awarding the appellants only \$752.43, which was the original sum advanced by the appellant Theodore J. Scheve to stop the foreclosure sale in September of 1962. Scheve did not claim this amount as part of his counter-claim. Apparently the Court allowed

the amount so advanced as a counterclaim although the uncontradicted evidence clearly showed that, in addition to such sum, the appellant Scheve made regular monthly payments on the two deeds of trust from the time he took over in 1962, which amounted to \$4,426.43 plus costs for repairs, maintenance, payment of insurance premium, water bill and trash removal — \$4,278.61 — or a total advance of \$8,705.04. During that time he collected rents amounting to \$3,766.00, leaving the approximate sum of \$4,939.04 un-reimbursed to him, which constituted a loss.

As to why the Court only allowed \$752.43, representing out-of-pocket payment initially paid, and not the total sum of \$4,939.04, is not clear. If the Court was attempting to reimburse the appellants for their sums paid out as a condition for returning the property to the appellees, the appellant was entitled to be made whole for all sums due him, and not for only a part, especially in view of the fact that, by these payments, appellees received the benefit of a reduction in the principal balances of the first and second trust and of an improved condition of the property. This amounts to a windfall to the appellees. It is our position that the Court's ordering payment of \$752.43 only, and not the entire amount, is inconsistent, and not sustained by law.

The uncontradicted evidence clearly shows that the appellants did not participate in the transaction under which the appellees signed the contract and deeded the property, nor did they have any knowledge concerning it. If the Court was of the opinion that the property should be returned to the appellees the appellants were at least entitled to be made whole for all of the sums which they had paid. It has long been the rule that he who seeks equity must do equity. The appellees sought equity, namely, the return of their property; in order to obtain equity they must do equity by returning all of the sums advanced by the appellants in excess of what was received, that sum being \$4,939.04. The principle that the party who seeks equity must do equity has been so

well established that it is an unchallenged rule of Law. Among the cases, in this jurisdiction to that effect are *U. S. v. Belt*, 47 F. Supp. 239; *Brownley v. Peyser*, 69 App. D.C. 56, 98 F.2d 337; *Annapolis Co. v. Wardman*, 59 App. D.C. 321 41 F.2d 111, cert. denied, 51 S.Ct. 74, 75 L.Ed. 766. Even in the case where the debt, which was secured by deed of trust, was barred by limitations, yet in order to obtain equity and have the land freed from the lien the Court refused to grant such relief unless there was an offer to pay the debt, on the principle that he who seeks equity must do equity. See *Talbott v. Hill*, 49 App. D.C. 96, 261 F. 244. This has been a rule since the earliest cases, namely, *Bank of Columbia v. Dunlop's Heirs*, 3. Cranch 414; *Ridgeway v. Hals*, 5 Cranch 23, and *Crestwell v. Lanahan*, 2 MacArthur 848, affirmed in 101 U.S. 347 25 L.Ed. 853. Since the deficiency was uncontradicted, as shown by Scheve's affidavit (J.A. 23) and his testimony (J.A. 107-111) if the Court was inclined to return the property to the appellees the Court should have ascertained specifically how much rent money Scheve had collected from the property, what amounts he paid on the first and second trust, payment for repairs, water bill, insurance to preserve the property, and, if there was a deficiency, such sums should have been awarded him, as a condition precedent to turning over the property to the appellees. The manner in which the Court entered judgment, namely, awarding the property to the appellees and giving a judgment to the appellants for \$752.43 was cumbersome, and no useful purposes resulted. In view of the fact that appellees at no time offered to make the appellants whole, nor did they offer to do equity, they were not entitled to equity and the Court's judgment on this point alone entitled the appellants to a reversal.

2. The Court erred further in holding that appellees had proved fraud against appellants. Appellants did not participate in any way in the transaction, and there was no proof, through their agent Alldridge, that they made false representations designed to defraud the appellees

by presenting them with papers for execution which turned out to be a conveyance rather than a refinance. It is crystal clear that none of the appellees made any effort to read the papers. The appellees, Lewises, so stated, and the appellees, Gambrell and Lloyd, were in too great a hurry to make any effort whatever to read the papers. None asked for a reading. In addition, the appellees, Lewises, were later given a copy of the lease and were sued several times in the Landlord and Tenant Court for rent and took receipts for rent. They then had the obligation to rescind immediately upon receiving this information; however, they continued to make payments.

It is elementary that fraud must be proven by clear and convincing evidence. The appellees made no effort whatsoever to read the papers which they signed; they admitted that no effort was made to keep them from reading, nor did anyone ask that they be read. In *Magaw v. Huntley*, 36 App. D.C. 25, it was held that to support a charge that the execution of an instrument was procured by fraud, it is insufficient to prove that the surrounding circumstances were suspicious. The whole case must be strong enough to establish fraud and the only claim of fraud is that the appellees were importuned to sign a number of documents "without being given the opportunity to examine or read the documents". This claim is not substantiated by the record and on Pages 36 and 37 of the Joint Appendix, the appellee, Lewis, stated his sister did not request she be permitted to read the papers, but all of the appellees signed and did not ask that they might look at the papers, nor did they ask that the same be read to them, nor did they ask Mr. Alonzo to read to them, nor did they ask any of the others to read the papers to them, nor did they bring anybody with them to read the papers when they got there. There is no evidence whatever that the appellees were in any way prevented from reading the papers which they signed. This cannot constitute fraud. In *Stern Company v. Moneyweight Scale Co.*, 42 App. D.C. 162, it was held that it is as much the duty of a person who cannot read the language in which a contract is written to have some-



one read it to him before he signed it as it is the duty of one to pursue it before signing. Although the appellee Lewis stated he could not read, he did not ask his sisters or his wife, who could read, nor did he ask Alldridge to read; this could not constitute fraud. With respect to all of the other appellees, all of whom could read, none of them asked permission to read the instruments and they all admitted that they were not prevented from reading them. This cannot constitute fraud. In *Toledo Scale Co. v. Garrison*, 28 App. D.C. 242, it was held that the mere fact that a contract is presented for signature to one who is able to read and is able to understand fully and who is not prevented from reading it, amounts to nothing more than a simple receipt and it is not sufficient to avoid it on the grounds of fraud. It will not do for him to say that he did not read it, nor did not know its contents. To the same effect is *B & O RR v. Morgan*, 32 App. D.C. 195, where it was held that when one signs a written contract without reading it, his failure to read it is such gross negligence that it would estop him from denying the contract unless he is dissuaded from reading it by some trick. No trick was shown in our case, and none of the appellees were in any way prevented from reading, nor did anyone request that they be read.

In *Patterson v. Reese*, 113 U.S. App. D.C. 74, it was held that one who signs a contract which he had an opportunity to read and understand is bound by its provisions. The Court cited *Allied Steel Convoys v. Ford Motor Co.*, 277 F.2d 907 6th Cir., where there was an absence of reading glasses. In the District of Columbia Court of Appeals in the case of *Wilson v. Swann*, 168 A. 2d 198, it was stated that one who refrains from reading and in conscious ignorance of its terms voluntarily consents thereto, would not be relieved from a bad bargain, *Jasseli v. Riggs National Bank*, 36 App. D.C. 159, and *Lesnick v. Hanneck*, 61 A. 2d 491, holds that suspicion of fraud can never rebut evidence of good faith. In view of the fact that appellees totally failed by the evidence which they gave to clearly prove fraud by clear and convincing evidence, the Court has erred.



3. The evidence of the appellees failed conclusively to connect, in any way, that the appellants participated, or had anything to do with the original transaction, and failed conclusively to prove that Alldridge who initiated the transaction was the agent acting for the appellants. Testimony of the appellees demonstrates that they failed in anyway whatsoever to prove agency. Alldridge was a separate independent real estate speculator. It was uncontradicted that the contract, which was signed at the title company, and which gave Alldridge equitable title, was assigned to the appellants, and it was not until the appellants had made payments to stop the sale, advancing \$762.43, that they received the deed after much badgering of Alldridge. It must be borne in mind that at the time of the transaction the appellees were hopelessly in default, unable to make the payments which would result in a foreclosure and which, by the payment of the sums advanced by the appellants, permitted the appellee Lewis to remain in the premises under his bargain. It was the principal contention of the appellees that Alldridge was the agent of the appellants, but there was no proof whatsoever in any respect that this was correct. In the case of *Riss Co. v. Association of Western RR*, 159 F. Supp. 288, an agent was defined as the relationship which results from manifestations of consent by one person to another that the other shall act on his behalf, subject to control and consent by the other so to act. The one for whom the action is to be taken is the principal and the one who is to act is the agent. The Court said in this case that a basic test of determining whether one is an agent or an independent contractor is one of control. There was complete failure of proof in any respect that Scheve had any control over Alldridge. This relation cannot arise in absence of consent, as held in *Mack v. American Security & Trust Co.*, 89 U.S. App. D.C. 324, 191 F. 2d 775, and it has been universally held that the burden of proving agency is upon the party who asserts it. See *McDonald v. Stone* 86 A.2d 624. Since the appellees failed completely to show agency but the evidence was clear to the effect that Scheve and Alldridge were independent contractors with

no connection between themselves, this also requires a reversal in this case.

4. The Court erred in permitting rescission despite the fact that appellees made no effort to rescind when they had, or should have had, knowledge of the alleged fraud and thereafter signed and retained a copy of the lease, made rent payments, received and retained receipts clearly marked "rent," received several complaints and summons from Landlord and Tenant Court wherein it appeared that the claim was for possession on account of non-payment of rent, and thereafter paid such rent except as to the last case when the eviction took place. The universal rule is that upon discovering the alleged fraud, the person entitled to claim such fraud must immediately rescind, and, if payment is made on the contract, it is deemed affirmed and the claim is relegated only to damages. See *Wyatt v. Madden*, 59 App. D.C. 38, 32 F.2d 838; *Kent Homes, Inc. v. Frankel*, D.C. App., 128 A.2d 444.

#### CONCLUSION

It is respectfully urged by the appellants that for any one of the above reasons judgment of the Lower Court should be reversed.

**Herman Miller**

421 4th Street, N. W.

Washington, D.C.

*Attorney for Appellants*

**BRIEF FOR APPELLEES**

---

**United States Court of Appeals**

**FOR THE DISTRICT OF COLUMBIA CIRCUIT**

---

**No. 19,774**

---

**THEODORE J. SCHEVE, ET UX.,**  
*Appellants*

**v.**

**RUSSELL LEWIS, ET UX.,  
LUEVONIA L. GAMBRELL  
and  
IDA KAY FLOYD,**  
*Appellees*

---

**APPEAL FROM THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA**

---

United States Court of Appeals  
for the District of Columbia Circuit

**FILED APR 14 1966**

*Nathan J. Paulson*  
CLERK

**JOHN T. BONNER**

**412 Fifth Street, N.W.  
Washington, D.C.**

*Attorney for Appellees*

(i)

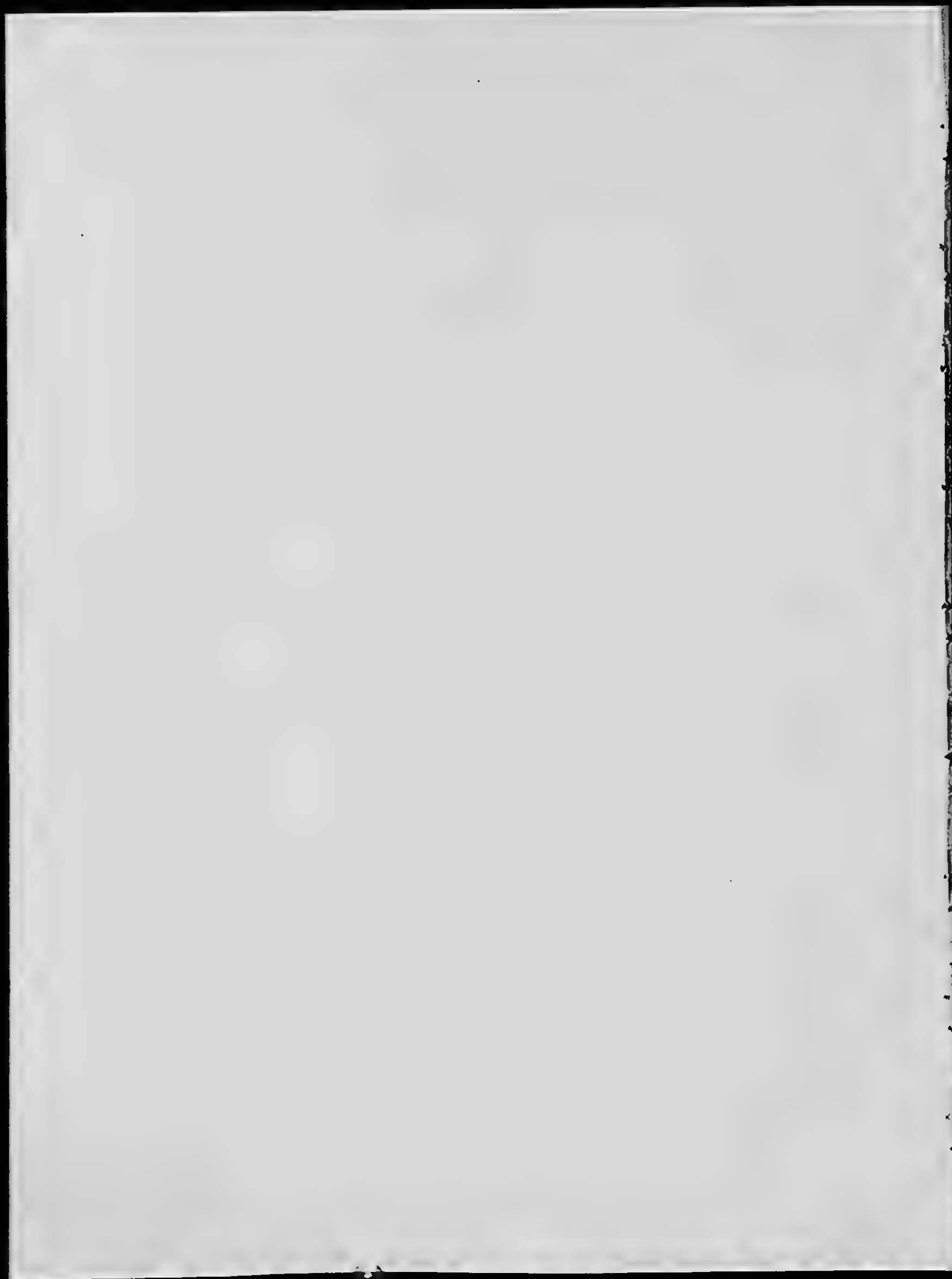
**STATEMENT OF QUESTIONS PRESENTED**

1. In the opinion of appellees the sole question presented by this appeal is whether the court of equity properly gave relief to appellees for having been defrauded of their real property by the appellants.

(iii)

## INDEX

STATEMENT OF QUESTIONS PRESENTED .....	1
COUNTERSTATEMENT OF THE CASE .....	1
SUMMARY OF ARGUMENT .....	3
ARGUMENT .....	3
CONCLUSION .....	6



# United States Court of Appeals

FOR THE DISTRICT OF COLUMBIA CIRCUIT

---

No. 19,774

---

THEODORE J. SCHEVE, ET UX.,  
*Appellants*

v.

RUSSELL LEWIS, ET UX.,  
LUEVONIA L. GAMBRELL  
and  
IDA KAY FLOYD,  
*Appellees*

---

APPEAL FROM THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

---

BRIEF FOR APPELLEES

---

## COUNTERSTATEMENT OF THE CASE

In their 20-page "Statement of the Case" appellants have included many assumptions and arguments which might be better received under a different title. The facts in the case are relatively simple and most of which are contained in appellants' "Statement of the Case."

Prior to October, 1962, appellees were the equitable and/or legal owners of premises 1348 Shepherd Street, N.W., Washington, D.C. By



their reckoning, the property was worth about \$20,000 (J.A. 10), and by the admissions of appellants the property was worth about \$13,500.00 (J.A. 12). There were of record trusts totaling \$9,174.00, although appellees denied a \$1,000.00 trust contained therein. In September, 1962, appellees became in arrears in their payments on the first and second trusts and the property was offered for sale (J.A. 26). At about that time, Mr. Alldridge, the witness in the court below and the alleged agent of appellants, called appellee Lewis and told him that he, Alldridge, wanted to help Lewis out with his house and save the house for Lewis (J.A. 26). Alldridge promised that the \$600.00 which Lewis owed to his sisters, the co-appellees, would be taken care of and that he had a friend who would take care of it (J.A. 34). At a later date Lewis, who was and is illiterate (J.A. 34) and his sisters met Alldridge in the lobby of a local title company where they signed many papers. The papers which Mr. Lewis signed were exhibited to him. No effort was made by Alldridge to obscure those papers (J.A. 27) since appellee Lewis was illiterate. However, when it came the turn of his wife and his sisters to sign, the papers were presented to them by Alldridge who kept his hand over the papers so that they could not read what they were signing. (J.A. 36). All appellees later learned that what they had signed were deeds to the property in question.

Sometime later the Lewis' were evicted from the premises by the appellants who then rented the property and have received the income therefrom ever since.

In their Counterclaim (J.A. 7) appellants sought \$5,500.00 which they claimed to have expended for appellees promissory note and \$572.43 advanced to the appellees, apparently to stop the foreclosure sale of the property. In the Pretrial Order (J.A. 12) the latter figure was corrected, making it \$752.43 which is the exact amount of the judgment for appellants entered by the lower court. Although the Pretrial Order dated

April 12, 1965, was entered long after any alleged repairs, it is silent as to any claim by appellants for repairs (J.A. 12).

Appellants paid nothing to appellees for their property. (See Pre-trial Order, J.A. 12).

### SUMMARY OF ARGUMENT

The appellants by virtue of the frauds practiced upon appellees succeeded in obtaining from appellees title to valuable real estate which, by appellants' own admission, was worth \$13,500.00, and for which appellants paid nothing to appellees.

### ARGUMENT

From the welter of evidence adduced at the trial below, certain facts cannot be denied: (1) prior to September 20, 1962, appellees were the owners of the real estate involved, which had been purchased by the appellees (Lewis') in 1950 for approximately \$14,000.00; (2) on or about September 20, 1962, the property was admittedly worth approximately \$13,500.00; (3) on or about September 23, 1962, the property was acquired by the appellants for approximately \$8,000.00; (4) the appellants paid the appellees nothing for the property.

Those facts, about which there can be no doubt, lend a strong inference that the appellants had unjustly enriched themselves at the expenses of the appellees, and that the appellants acquired the property by nefarious means.

There seems no question but that the appellees lost their property by virtue of which is commonly called "a confidence game." The manner in which they were persuaded to sign deeds by the witness, Alldridge, would seem clear indication of fraud on the part of Alldridge. His taking them to the lobby of a title company for the signing of deeds which could have easily been signed before any notary public; his deliberate misrepresentations as to the papers which the appellees signed, are the

actions which this Court commonly sees in reviews of trials for criminal fraud or false pretenses. The *modus operandi* of Alldridge follows the classic lines of the "confidence game."

The only difficulty appellees had in this case was to connect the appellant, Theodore Scheve, to the witness, Alldridge. Admittedly, if Alldridge was not working in the interest of Scheve at the time he performed the acts complained of, appellees could not prevail. On the contrary, if we find it reasonable and prudent to believe that Alldridge on the 20th day of September, 1962, and prior thereto, was working in the interest of and at the behest of Scheve, appellees were entitled to a judgment. Alldridge claimed he was working for himself but a casual examination of his testimony lends the lie to that claim: (1) when called upon to produce records showing any payment to the appellees, he could produce none; (2) when called upon to produce records showing his financial stability at the time he apparently expected to purchase the property, he neither could nor would produce any records to that effect; (this, despite the fact that had he been actually buying the property for himself, he would have had to have paid approximately \$750.00 in cash in order to prevent the foreclosure sale); (3) had Alldridge been working for himself, he would have received or expected to receive at least his expenses on the deal. It was admitted that he had at least three conferences with the Lewis', both at their home and at the title company; he paid for the preparation of the deeds at the title company; and the evidence is clear that at no time was he ever reimbursed, at least, openly, by anyone. We can, therefore, but conclude that on September 20, 1962, the date on which Alldridge fraudulently procured the signatures of the appellees, he was not, in fact, working for himself but for someone else.

Having established that there was a fraud perpetrated and that Alldridge perpetrated that fraud on behalf of someone other than himself, the sole factual question remaining is on whose behalf did he do these things. Since the only and total benefactors of Alldridge's deeds were



the appellants herein, the presumption is almost irrefutable that Alldridge was working on their behalf. There is no suggestion anywhere in the record that he worked on behalf of any other person or persons. In that light, let us now consider the admitted relationship between the witness, Alldridge, and the appellant, Theodore J. Scheve. There had been, prior to September 20, 1962, by the admissions of both Alldridge and Scheve, a number of real estate transactions in which Alldridge acted as Scheve's agent, and that relationship continued after September 20, 1962. The appellants then are taking the position that prior to September 20, 1962, and subsequent to that date, agency existed between Alldridge and Scheve, but on the particular date in question, the crucial date of September 20, 1962, this agency had been temporarily abandoned. Next, the association of Alldridge and Scheve was so open and notorious that it was well known even to Mr. Bernstein, the Vice President of Realty Title Company. Perhaps the most incredible portion of the story told by Alldridge and Scheve concerns the deeds prepared by Realty Title Company. Both the witness, Alldridge, and the appellant, Scheve, contended that on September 20, 1962, Alldridge did not know that Scheve was going to take the property, and on that day Scheve did not know anything about the deal. Yet the deeds are dated and notarized by an employee of Realty Title Company. To believe Scheve and Alldridge, we must be convinced that: (1) Realty Title Company prepared deeds that did not name a grantee; (2) an employee of Realty Title Company then notarized the signatures on the incomplete deeds; (3) some weeks later Alldridge returned the deeds to Realty Title Company and another employee filled in the names of the appellants on deeds that had been *notarized* at some earlier time. No title company or its employees would treat a document so solemn as a deed in such casual fashion.

On March 27, 1963, the Jaffar Mortgage and Investment Corporation was formed with its address at 2531 34th Street, S.E., Washington, D.C., the residence of the appellants, by the appellant, Theodore J.

Scheve. According to Scheve's admissions the entire cash investment in that corporation was made by him. The records show, and Mr. Scheve so testified, that the witness, Alldridge was a Director of that corporation, that he had considerable stock in that corporation, and that he paid no money for his stock. What better way could the appellant, Scheve, have concocted to pay off Alldridge for the services rendered in the Lewis deal and at the same time muddy the trial to obscure any such payment? A cursory examination of the testimony of Scheve, in the light of common knowledge, again provides ample proof that Alldridge was Scheve's agent. Scheve, by his own admission, was a dealer in distressed real estate — a man who has made a living by the purchase of tax deeds and property being foreclosed. Does such a person blindly pay out the sum of \$750.00 to stop a foreclosure as Scheve did herein? Does such a person buy a piece of real estate without so much as seeing the interior? Certainly not unless he or his agent has fully examined the interior of the premises and has a very good idea as to its value. In this case appellant Scheve says he did act in that fashion, but his history and the history of all real estate speculators would seem to be to the contrary.

#### CONCLUSION

It is respectfully urged that the judgment of the lower court should be affirmed.

Respectfully submitted,

JOHN T. BONNER

412 Fifth Street, N.W.  
Washington, D.C. 20001

*Attorney for Appellees*

